

Town of Cochrane Transit Strategy November 2011



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HOW THE WEST IS NOW

Agenda

- A. Background
- B. Need for public transit
- C. Cost Recovery Strategy
- D. Four Phasing Options
- E. Funding Transit
- F. Recommended Strategy



A. BACKGROUND

Council Priority

- Steering Committee 2009
- Phase 1 study 2010
- Detailed Feasibility Study - Feb 2011
- Transit Strategy - Due Dec 2011



PUBLIC ENGAGEMENT

- Accessibility
- Accountability
- Communication
- Continuous Improvement
- Participation



Regional Transit Planning

Regional Transit Plan

- 15 municipalities
- Create regional transit service
- Local implementations supported by regional transit program manager
- Regional branding & marketing strategy - in progress
- Transit Oriented Development
- Regional Collaboration grant with Cochrane - \$180,000



Existing Transit Service

Private Sector

- Southland Transportation Ltd. – intercity commuter

Non-Profit Sector

- Rocky View Regional Handi Bus Society – para transit

Community Access Program (CAR)

- United Way/FCSS – subsidized taxi to max. \$20/mth



Partnership Opportunities

- Private Sector
- Calgary Transit
- Non-Profit Sector



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B. NEED FOR PUBLIC TRANSIT

- Economic
- Social
- Environmental



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Economic Needs

- Access to an expanded labour force
- Increased productivity
- Additional employment opportunities
- Reduced motor vehicle collisions
- Reduced impact of traffic congestion
- Reduced infrastructure costs
- Expanded customer base



Economic Development

- Support economic development
 - particularly around the 45-acre Quarry site
- Promote growth
 - Cochrane is seen as a full-service community



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Social

- Affordable fares
- Alternatives
- Promotes independence
- Health and wellness benefits



Environmental

- Meet CSP commitments
- Lower greenhouse gas emissions
- Cleaner water systems
- Change in culture
- Wildlife preservation



C. COST RECOVERY STRATEGY

- CRP
 - Regional Fare Strategy
- Cochrane
 - Fares consistent with regional strategy & attractive for mobility throughout region



Cost Recovery Strategy

FARE REVENUES

DO NOT COVER TOTAL COSTS

Populations less than 150,000 enjoy an average cost recovery of **39%** for public transit service

Canadian Urban Transit Association - CUTA - Transit Fact Book



Cochrane's Cost Recovery Strategy

Achieve 37% overall cost recovery by 2018

Introduce fares that will attract customers to the new intermunicipal & local service



Fares - other public transit regions

- \$147 monthly pass | \$3.68 per trip
– Airdrie to downtown Calgary
- \$125 monthly pass/ \$3.12 per trip
– Spruce Grove to downtown Edmonton
- \$96 monthly pass/ \$2.40 per trip
– Fort Saskatchewan to Edmonton



Fare - Private Service

Southland Transportation Ltd

- Peak hour commuter service to downtown Calgary
- Limited local neighborhood pickups with direct service to downtown
- \$240 monthly pass



Cochrane - Preliminary Fares

- \$120 monthly pass (\$3 per trip)
Cochrane to Crowfoot LRT
- Most customers would be monthly pass holders



Cochrane Fare Analysis

\$90 Calgary Transit

+\$120 Cochrane fare

=\$210 per month total



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Local Fare Proposed

- Local riders connecting to intermunicipal service
 - fare included in \$120/mth Cochrane pass
- \$30 per month
 - local pass
- \$2 per cash trip
 - local bus



Impact of Fares Proposed

- Range of cost recoveries is possible
- Fare revenue expected to be 92% of total revenues
- Increase in fares could have negative impact on ridership



Improving Cost Recovery

- Promote a transit culture to advance sustainability goals and increase ridership
- Higher ridership = increased cost recovery



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Further Cost Recovery

Ancillary revenue

- Bus shelter advertising
- Bus wraps
- Charter services – offpeak

Strong Competitive framework

- CRP partnership
- Transit oriented development
- Fee for shared transit infrastructure



D. FOUR PHASING OPTIONS

Many Options :: One Goal

Intermunicipal and local service will be operating during peak times by 2018



Common Assumptions

- Population grows to 24,000 by 2018
- 1,500 to 2,000 commuters
- Cochrane's service attracts 14% of target market at startup
- 20% of target market by 2018



Common Assumptions (2)

- Public consultation done in 2010 showed support for transit
- \$30,000 marketing budget for startup
- Service launch in September – peak ridership month
- Cochrane to RFP for private sector bids on public transit service



Option 1::Launch service 2014

- AM & PM rush hours
- 30-minute frequency
- Transit hub
- Two local routes



Option 1::Launch service 2014

CRP completes work to support transit implementation in the region

- Regional Branding & Marketing
- Transit Oriented Development
- Public/Private Contractual Framework
- Regional Fare Strategy



Option 1::Launch service 2014

Save \$550,000 in a transit operating reserve,
2012-2014

- 2012 Draft Budget \$85,000
- 2013 save \$215,000
- 2014 save \$250,000

Order buses in early 2012 and take delivery of
buses for fall 2014 startup



Option 1::Launch service 2014

- RFP early 2014 for service providers to bid on fall 2014 service.
- Evaluation of the potential for local route restrictions & use of transit hub facilities



Option 1::Financial Impact

Lower cost recovery expected in startup

- Full-year net cost of transit estimated at \$845,000 in 2015
- Mitigated by drawing on transit operating reserves, 2012-2014



Option 1::Financial Impact

- Overall 26% fare recovery, 2014 & 2015
 - 40% intermunicipal
 - 12% local service
- Overall 31% fare recovery assumed, 2016 & 2017
- Overall 37% fare recovery goal, 2018
 - 55% intermunicipal
 - 18% for local service



Option 1::Pros & Cons

Pros

- Pre-implementation planning work in progress
 - completed pre-public transit service launch
- Service more attractive to potential riders
- Can set aside operational funds in annual budgets to phase in financial impacts



Option 1::Pros & Cons

Pros

- Cochrane service both intermunicipal & local - more attractive for private sector bid
- More time to promote transit culture regionally & locally
- Economies of scale: buying buses, shelters, signage
- Owning own transit infrastructure - lowers operating costs paid to contractor



Option 1::Pros & Cons

Pros

- Less risk of hwy projects & Centre Ave construction impacting new service
- Opportunity to take advantage of Provincial grant funding to cover capital costs



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Option 1::Pros & Cons

Cons

- Transfer times between services may impact ridership
- Frequency of peak hour service insufficient for some customers
- No all-day local service for seniors & social needs



Option 1::Pros & Cons

Cons

- Perception of 2014 implementation being too slow for a needed service
- Private sector may have to store buses at additional cost to Town
- Town's 1/3 capital contribution requires \$9 million of MSI capital grants which are then not available for other projects



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Option 2::Launch service 2012

Limited peak hours for local & intermunicipal service purchased from contractor in 2012

- AM & PM rush hours
- Transit hub
- Two local routes



Option 2::Launch service 2012

- Buy service for 3 years from private operator until Town's infrastructure is ready
- Minimum 3-hour chunks of service
- Order buses early 2012
- Take delivery of buses for fall 2014



Option 2::Launch service 2012

Work on CRP priorities that support transit implementation

- Regional Branding & Marketing
- Transit Oriented Development
- Public/Private Contractual Framework
- Regional Fare Strategy



Option 2::Launch service 2012

- RFP in Q1 2014 for service providers to bid on full service
- Evaluate potential for local route restrictions & use of transit hub facilities



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Option 2::Financial Impact

Estimated net cost of service

| | |
|------|-----------|
| 2012 | \$181,000 |
| 2013 | \$513,000 |
| 2014 | \$528,000 |
| 2015 | \$661,000 |
| 2016 | \$845,000 |
| 2017 | \$841,000 |
| 2018 | \$776,000 |



Option 2::Financial Impact

- Overall 26% fare recovery, 2012-2016
 - 40% for intermunicipal express
 - 12% for local service
- Overall 31% fare recovery assumed, 2017
- Overall 37% fare recovery goal, 2018
 - 55% for intermunicipal express
 - 18% for local service



Option 2::Pros & Cons

Pros

- Timely offering of service
- Launch service without having to take delivery of buses
- Build relationship with private sector
- Cochrane service both municipal & local
 - more attractive for private sector bid



Option 2::Pros & Cons

Cons

- Transfer time between services may impact ridership
- Pre-implementation planning work in progress - would NOT be completed prior to launch
- Would require another \$96,000 in 2012 Budget
- Frequency of peak hour service may be insufficient for some customers
- No all-day local service for seniors & social needs



Option 2::Pros & Cons

Cons

- Less time to promote transit culture regionally & locally
- Private sector may have to store buses at additional cost to Town
- Town's 1/3 capital contribution requires \$9 million of MSI capital grants which are then not available for other projects
- Hwy projects along with Centre Ave construction will likely result in significant traffic disruptions



Option 3::Intermunicipal 2012

Limited peak hours intermunicipal service purchased from contractor in 2012

- AM & PM peak hours
- Transit hub
- No local routes



Option 3::Intermunicipal 2012

- Buy service for 3 years from private operator until Town's infrastructure is ready
- Minimum 3-hour chunks of service
- Order buses early 2012
- Take delivery of buses for fall 2014



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Option 3::Intermunicipal 2012

Work on CRP priorities that support transit implementation

- Regional Branding & Marketing
- Transit Oriented Development
- Public/Private Contractual Framework
- Regional Fare Strategy



Option 3::2012 Launch

- RFP in Q1 2014 for service providers to bid on full service
- Evaluate potential for local route restrictions & use of transit hub facilities



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Option 3 :: Financial Impact

Estimated net cost of service

| | |
|------|-----------|
| 2012 | \$123,000 |
| 2013 | \$340,000 |
| 2014 | \$345,000 |
| 2015 | \$546,000 |
| 2016 | \$845,000 |
| 2017 | \$841,000 |
| 2018 | \$776,000 |



Option 3::Financial Impact

- Overall 26% fare recovery, 2012-2016
 - 40% for intermunicipal express
 - 12% for local service
- Overall 31% fare recovery assumed, 2017
- Overall 37% fare recovery goal, 2018
 - 55% for intermunicipal express
 - 18% for local service



Option 3::Pros & Cons

Pros

- Timely offering of service
- Launch service without having to take delivery of buses
- Build relationship with private sector
- Cochrane service that's both intermunicipal & local - more attractive for private sector bid



Option 3::Pros & Cons

Cons

- Transfer times between services may impact ridership
- Pre-implementation planning work in progress - would NOT be completed before launch
- Frequency of peak hour service may be insufficient for some customers
- No all-day local service for seniors & social needs
- Would require another \$38,000 in 2012 Budget



Option 3::Pros & Cons

Cons

- Less time to promote transit culture regionally & locally
- Private sector may have to store buses at additional cost to Town
- Town's 1/3 capital contribution requires \$9 million of MSI capital grants which are then not available for other projects
- Hwy projects along with Centre Ave construction will likely result in significant traffic disruptions



Option 4::Local only 2012

Buy local service only from contractor, 2012

- All-day service on 1 route
- No weekend service
- 30-minute peak hours
- Implement full service on 2 routes in 2015



Option 4::Local only 2012

- Buy service for 3 years from private operator until Town's infrastructure is ready
- Minimum 3-hour chunks of service
- Order buses in early 2012
- Take delivery of buses for fall 2014



Option 4::Local only 2012

Work on CRP priorities that support transit implementation

- Regional Branding & Marketing
- Transit Oriented Development
- Public/Private Contractual Framework
- Regional Fare Strategy



Option 4::Local only 2012

- RFP in Q1 2014 for service providers to bid on full service
- Evaluate potential for local route restrictions & use of transit hub facilities



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Option 4::Financial Impact

Estimated net cost of service

| | |
|------|-------------|
| 2012 | \$130,000 |
| 2013 | \$361,000 |
| 2014 | \$593,000 |
| 2015 | \$1,100,000 |
| 2016 | \$1,100,000 |
| 2017 | \$1,115,000 |
| 2018 | \$1,028,000 |



Option 4::Financial Impact

- Overall 26% fare recovery in 2012 to 2016
 - 40% for intermunicipal express
 - 12% for local service
- Overall 31% fare recovery assumed in 2017
- Overall 37% fare recovery goal in 2018
 - 55% for intermunicipal express
 - 18% for local service



Option 4::Pros & Cons

Pros

- Timely offering of service
- All-day local service for seniors & social needs
- Launch service without having to take delivery of buses
- Build relationship with private sector



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Option 4::Pros & Cons

Cons

- No intermunicipal service to Crowfoot in launch year detracts from quality of overall service
- Pre-implementation planning work in progress - would NOT be completed before launch
- Would require another \$45,000 in 2012 Budget
- Frequency of peak hour service may be insufficient for some customers



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Option 4::Pros & Cons

Cons

- Less time to promote transit culture regionally & locally
- Private sector may have to store buses at additional cost to Town
- Town's 1/3 capital contribution requires \$9 million of MSI capital grants which are then not available for other projects
- Hwy projects along with Centre Ave construction will likely result in significant traffic disruptions



E. FUNDING TRANSIT

- Capital grants available
- No operating grants available
- Will impact Town's operating budget



Property Tax Impacts

- 2012 Draft Budget includes \$670,000 new muni prop tax revenue from 4.5% growth
- 2012 Draft Budget includes \$85,000 to advance transit strategy
- Future cost of service could be funded from growth alone
- Measured approach needs to support other priorities included in Ten Year Financial Strategy



GreenTRIP Grant

- Town approved \$9,180,000 capital costs
- Town's share is \$3,040,000
- Capital grant for combined transit garage/shop deferred
- Province approved \$171,000 to complete functional plan for combined facility



MSI Grants

- MSI 2011 Capital grant - would cover Town's 1/3 share of funding now approved
- Future MSI Capital grants - would be required to fund combined transit garage/shop



Transit Facility Options

Combined garage/shop facility

- Province won't fund capital costs related to shop
- More efficient to combine the 2 facilities
- Not building our own transit garage means a new long-term solution is needed for Town shop



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F. RECOMMENDED STRATEGY

A measured approach to transit:

- Phase financial impacts of transit - portion of municipal growth tax dollars required in each of the next 6 years
- Complete important planning work currently in progress to support future transit service
- Secure capital grants to fund all capital costs of transit



F. Recommended Strategy

- Option 1, Launch peak hours intermunicipal and local transit service in 2014 is the most measured approach to transit.
- Once planning is complete, costs would be honed to a more finite position prior to implementing any transit service



F. RECOMMENDED STRATEGY

Council defer discussions on the Transit Strategy to November 18, 2011 Budget Deliberations

Final approval of preferred transit strategy will then form part of the overall approval of the 2012 Budget as finalized through Council's deliberation

