



Information Report
Committee of the Whole – April 20, 2021
Alternative Local Transit Service Delivery Model

Purpose:

The purpose of this report is to provide the Committee of the Whole with information on an alternative delivery model for providing the local transit service and to request feedback.

Summary Analysis:

Administration has been exploring an alternative service delivery model for our local transit service for the purpose of increasing efficiency. Currently, the city provides local transit service through a *fixed route model*. Administration is exploring an *on-demand model*, which is a software-based transit model that provides service upon request.

Fort Saskatchewan Transit offers local and commuter transit services. At this time, the on-demand model is only being considered for the local transit service.

Currently, the City provides local transit through a fixed route model, which means that buses travel according to a fixed schedule and a fixed route of travel. The City currently offers two routes (routes 582 and 583). The two routes circulate in opposite directions from one another and sometimes passengers will need to travel a longer distance to get to their destination. If a passenger misses their bus, they will need to wait another 30 minutes (peak time) or an hour (off peak) for the next bus. There are coverage gaps which exist, such as no transit service is provided in some of the newer residential neighbourhoods, Clover Park, or the industrial districts (Appendix A provides a map of current areas served). Opportunities to connect between the local and commuter services are limited.

Administration is exploring providing local transit through an on-demand model. Under this model, there are no fixed route or schedule. Instead, buses are dispatched on a request basis. This provides riders more flexibility, as they can book a trip when it is most convenient for them. On-demand is not a door-to-door service, like the STSS service or a taxi. Passengers would still need to wait at bus stops so that buses can efficiently collect as many passengers as possible in one location. Rides would be scheduled using a free app, a website, or by phone.

Some of the key benefits of the on-demand model include:

- **Address coverage gaps:** Transit could be extended to areas of Fort Saskatchewan that are currently not serviced by transit (e.g. the south portion of Westpark or the southeast portion of Southfort).
- **Provide a more accessible and flexible service:** Passengers have the ability to request transportation in real-time and can track the vehicle approaching them. This would be an alternative to relying on a schedule.
- **More responsive to ridership usage:** New bus stops can be easily added or adjusted based on ridership usage. Stops can be added virtually, at first. If the stop is well used, hard infrastructure can be installed. This can assist with determining where the demand for ridership is and allows flexibility to reposition stops, as needed.

- **Increase connection opportunities between the local and commuter services:**
Connections between the two systems can be made at any point along the commuter routes.

Several agencies in the Edmonton region are currently exploring on-demand transit. Edmonton Transit Service is implementing an on-demand model on April 25, 2021 to compliment their current redesigned network. Cochrane and Okotoks have also implemented completely on-demand models.

Fort Saskatchewan Transit could convert our local transit service to an on-demand model using its existing three buses.

The Edmonton Metropolitan Transit Services Commission (EMTSC) is anticipated to be providing transit services in 2022. Local services will still be uploaded to the Commission, but municipalities will have control over of their local services. Administration does not foresee any impact with utilizing on-demand software for local services and transitioning these services to the Commission at this time. Further consultation with the EMTSC will be necessary prior to implementation.

Financial Implications:

As per the 2021 Budget, the programming cost for our current local transit service is \$600,202 (excluding non-personnel cost). The base operating costs for local transit (vendor contract, number of drivers, fleet, advertising, etc.) would remain the same under the on-demand model. However, the area covered under the on-demand model would increase to include areas not currently serviced by local transit (e.g., the south portion of Westpark or the southeast portion of Southfort). The increase in coverage could result in increased ridership, which would reduce the cost of service per a trip.

The on-demand model could reduce potential future costs. Under the current fixed route model, addressing the current coverage gaps would require a third route. The estimated cost for a third route is \$300,000 annually (including transfer to reserve contributions). Switching transit service models could reduce or avoid this future additional cost.

It is possible that fuel cost could be reduced under an on-demand model. Running more targeted route could result in fuel saving, which could help off-set implementation costs. Ridership data would be collected in the initial years of service, which would help determine if any savings would be available.

Administration has engaged in initial conversations with vendors. Preliminary cost to transition to a local on-demand model includes the purchasing of software, rights and license and setting up new bus stops based on demand.

One-time costs:

• Implementation fee:	\$	5,000
• Tablets for each bus (\$600 per vehicle):	\$	1,800
• Additional bus stops and signage (\$200 per stop):	\$	2,000 – 3,000
Total One-time costs:	\$	8,800 – 9,800

Ongoing Costs:

- Software Subscription (\$550 per vehicle, per month) \$ 19,800 / year
- Total Ongoing Costs: \$ 19,800 / year

These costs would be in addition to the current local transit budget.

Overall, the on-demand model can extend services to a larger area and provide more efficient service for riders without the additional cost of a third route.

Internal/External Impacts:

Frontline staff would need to be trained to understand this new service delivery model and software in order to effectively engage with residents. For residents who do not wish to request the service using the app or online platform, a call-in option would exist be necessary.

Plans/Standards/Legislation:

City's Strategic Plan:

- Core Value - Excellence in Government; Goal - Continuous improvement; constantly looking for ways to improve our service through planning, innovation, collaboration and consultation.
- Core Value - Well Planned and Maintained Municipal Infrastructure; Goal - Strategically manage, invest, and plan for sustainable municipal infrastructure.

Next Steps:

Administration will proceed with further investigating this alternative local transit service delivery model and will include a budget request in the 2022 Budget. Should Council support the budget request, the alternative model could be implemented within six months.

Appendixes:

1. Appendix A – Current Local Routes

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