

 COBOURG	THE CORPORATION OF THE TOWN OF COBOURG	
	STAFF REPORT	
TO:	Mayor and Council	
FROM:	Laurie Wills, Director of Public Works	
TITLE:	Renee Champagne, Engineering & Public Transit Administrator	
DATE OF MEETING:	November 30, 2020	
TITLE / SUBJECT:	Cobourg Transit Options	
REPORT DATE:	December 3, 2020	File #:

1.0 STRATEGIC PLAN

Invest in programs, services and infrastructure to make Cobourg more accessible.

2.0 PUBLIC ENGAGEMENT

To date there has been no public engagement. Upon Council approval to proceed, public engagement will be critical to the success of this proposed pilot study.

3.0 RECOMMENDATION

THAT Council direct Staff to implement a pilot project with Pacific Western Transportation (PWT), the parent company of Century Transportation and current operator of Cobourg Transit, to provide an on-demand transit service for the Town of Cobourg for a period of one (1) year, utilizing existing transit vehicle fleet and operating budget;

AND FURTHER THAT Council approve an additional \$40,000 in the 2021 operating budget for expenses associated with the on demand pilot study including hardware and software.

4.0 ORIGIN

1. Council Motion (January 27, 2020)

Motion – Staff Report on Innisfil Ridesharing Transit Model

FURTHER THAT Council instruct Staff to investigate the Innisfil ridesharing transit model and provide a report on its viability in Cobourg.

2. Safe Restart Agreement

The Provincial and Federal Government have provided COVID19 relief funding under the Safe Restart Agreement which includes specific funding for municipal transit systems. As part of the Phase 2 funding requirements, municipalities with low performing services are being encouraged to consider whether they may be better serviced by microtransit.

5.0 BACKGROUND

Microtransit is a form of ‘on demand’ transportation that offers flexible routing and scheduling vehicles. Microtransit providers utilize software to build routes to match ridership demand and increase the efficiency and accessibility of the transit service.

On demand transportation will provide service within a boundary without fixed schedules or routes and can be utilized either during low ridership demand times and areas when fixed routes are most inefficient and expensive; or, as an alternative to fixed route service entirely. The benefits of on demand transit are far less wait times, faster and more direct trips, higher vehicle utilization, and increased service area.

There are several transit models that can deliver on demand services:

1. Transit Agency Operated – whereby vehicles are owned and operated by the municipality ie. Belleville
2. Third Party Vendor – whereby the transit service is entirely hired by a municipality to source out drivers and own/maintain vehicles ie. Niagara Region
3. Transportation Network Companies (TNC’s) are privately owned and operated ride-sharing companies such as Uber and Lyft. TNC’s are typically operational in larger municipalities in addition to public transit with the exception of Innisfil which did not have public transit prior to implementing a publicly subsidized TNC service with Uber. (See attached Appendix A for additional information on the Innisfil Ridesharing transit model).

Companies providing on-demand solutions offer a variety of options for service delivery, depending on what the municipality is looking to provide for their

riders. While some vendors provide software, others provide vehicles and drivers and/or dispatching services. There is no one company who provides everything under one umbrella. Similar to a general contractor in construction, there are typically several sub-contractors providing specialized services.

Although not an on demand service, Cobourg Transit utilizes a combination of model 1 and 2 whereby the Town owns the buses and contracts a third party to operate and maintain the buses. The Town of Cobourg's fleet consists of three (3) 30' accessible conventional buses as well as one (1) 8m low floor accessible specialized vehicle.

Cobourg Transit is currently engaged in a contract with Century Transportation to provide conventional fixed route service and specialized transit service. The contract term is from January 1, 2020 to December 31, 2022 with an option to renew for two (2) additional one (1) year extensions, if mutually agreed upon.

In 2014, a review of the Town of Cobourg's transit system was completed by IBI Group to provide recommendations for improvements such as providing more reliable and accessible buses, more shelters, more staffing, and subsequently increasing fares. The recommended fare increases were as follows:

1. Increase single ride cash and ticket fares from \$2.00 to \$2.50 by 2019.
2. Eliminate discounted single ride tickets.
3. Increase senior monthly pass rates.

6.0 ANALYSIS

Staff have been researching various on-demand service vendors through conference calls and demonstrations including: Spare Labs, VIA, RideCo. Pantonium, Routematch, Drivers Seat, and PWT. Ridership statistics were provided to three candidates for further analysis and modeling, all vendors determined that the Town of Cobourg is a great candidate for replacing fixed route service with an on demand service.

In order to transition from one transit model to another, it is prudent that the Town conduct a lengthy pilot study. During the pilot, adjustments are made to continuously improve the service and the ridership data being collected is utilized to model a projected growth forecast for the permanent on demand service.

The Town's current transit provider, Century Transportation, is a subsidiary of Pacific Western Transportation (PWT) who already provides on demand transit services for several municipalities across Canada.

PWT provides the vehicles, drivers, and dispatching services for the clients and sub-contract the software allowing for one (1) point of contact for the municipality, similar to a general contractor. PWT is presently partnering with several software vendors which has allowed them to develop an understanding of the capabilities of the software options and choose a best fit partner for each municipality.

For the Cobourg Transit On Demand Pilot Project, PWT is proposing to utilize RideCo as their partner software company. PWT and RideCo have been working together for the past three (3) years to deliver demand responsive transit solutions across various cities and regions in Canada. Two examples of their partnerships are provided:

- Cochrane City Wide On demand: <https://docsend.com/view/96269wwj6yqfmxzc>
- Calgary First Mile Last Mile: <https://docsend.com/view/96269wwj6yqfmxzc>

Together, the team are recommending a one (1) year pilot project. The length of a pilot is important as it will encompass all four seasons of ridership trends. The pilot will have clearly defined goals that match the long-term vision of on demand transit in Cobourg.

Staff have met several times with RideCo and PWT to discuss many options that might be available for a pilot structure and upon Council approval, a final proposal will be prepared in detail and brought back to Council for public comment.

In general, it is anticipated that there will be several phases in the one year pilot that build up to full implementation. A brief and high level approach is as follows:

Pilot Phase 1:

During all phases of the pilot there will be a call in centre available for all hours that the Town is currently paying for dispatch services. For hours outside of the normal dispatch hours, only the online application will be available. Should Council choose, there is an option to add call in services for all hours of transit operation to assist riders with bookings, for an additional hourly rate.

It is expected that the first phase of the pilot will begin with off peak hours such as after 6:00pm and on Sundays utilizing the Wheels bus, just to get people starting to use the app and talking about the service throughout the community. This will accommodate conventional users who would otherwise not have a public transit option while also enhancing the extended service for Wheels members as now riders can book a ride on-demand as well as in advance.

The on demand service will continue to utilize the existing fixed route stops as pick up locations while also being able to go off route to additional 'virtual stops'

to provide services to all areas of Cobourg. Wheels members will continue to be provided origin to destination service whereas conventional riders will have a set pick up point that is within walking distance from their booking location.

Pilot Phase 2:

The next phase will add Saturday service to the on demand model for all riders.

Pilot Phase 3:

The final phase will move to full implementation. It is important to note that any phase of the pilot can be scaled up at any time, if the demand services are exceeding expectations with regards to upticks in demand riders.

Pre-Pilot Launch (6-8 Weeks):

Virtual Stop Simulations

The pilot will continue to utilize the existing fixed route stops as pick up locations while also being able to go off route to additional 'virtual stops' to provide services to all areas of Cobourg. Prior to launching the pilot, Rideco will be modeling the Town's streets to determine additional stop locations that are accessible for the larger 30' buses. Since not all streets in Town can be accessed by the larger vehicles it will be pre-determined in advance which streets the buses will be permitted and able to navigate. In future and pending the success of the on demand pilot, it is anticipated that smaller vehicles will replace the large 30' buses, allowing more access to residential areas for pick up/drop off locations. The typical goal is to provide service pick up within 250m of a call however until the Town has smaller buses the distance traveled to a pick up location may be up to 400m.

Marketing/Ridership Adoption

An important element required prior to launching the pilot will be marketing and ridership adoption. Based on the substantial experience of RideCo and PWT in launching successful on demand services across Canada, the following approach to marketing will be taken:

- Signage at shelters/hotspot areas (downtown/mall/hospital/Walmart); Municipal buildings and any other frequently visited areas
- Signage and promotional materials in/on transit vehicles to advise riders of new transit offerings/how to download/use the software;
- Staff to board transit/attend busy bus terminals to provide information directly to riders in person and help with the new service and app;

- Train and encourage operators to mention the change to riders as they board or disembark
- Public Meeting – presentation to Council via Zoom and open public forum for questions and answer period
- Engage Cobourg via Bang the Table

Post Pilot:

Following the end of the twelve (12) month pilot, PWT and RideCo will be providing recommendations to the Town for the number and size of vehicles procurements necessary to continue to keep up with ridership demand. The data collected throughout the year will provide future growth projections for capital and operational budgeting. The data will also assist in determining a final daily schedule based on the historical ride requests. Finally, upon understanding the operating and capital costs associated with the on demand system, a revised fare structure can also be considered.

How the App Works:

On Demand services will consist of two rider interface technologies; the Passenger Mobile Applications (rider app) and a web based passenger application (web app). Riders will have the option of downloading the rider app “**Pick Up**” which will be available for free from the Google Play Store (Android) and the Apple App Store (iOS). Council will also have the option of having an app customized specific to Cobourg Transit however there may be additional pre-launch time necessary for design/implementation.

Riders can book a pick up and drop off location at the nearest existing transit stop or new ‘virtual stop’. The application will then inform the rider how long before the bus arrives at the stop location as well as the approximate duration of the ride to their destination. The app will also provide walking directions to the pick up location via Google Maps and the real time location of the bus.

Riders that do not have the capability to book a ride using a smart phone/computer can call PWT’s dispatching centre and have their ride booked for them. PWT and Rideco will also provide support to callers to help set up the app on their devices. Cobourg staff will also be able to help riders with setting up the application and walking them through booking a trip.

7.0 FINANCIAL IMPLICATIONS/BUDGET IMPACT

Implementation Fee - \$7,500.00 which includes service modelling, virtual stop architecture, application set up and data migration, simulations, and initial training (operator, dispatcher and driver training).

Licensing Cost - \$550.00/per vehicle/per month (3 buses) @ 12 months
\$19,800.00

The Town of Cobourg will have to acquire tablets and vehicle mounts for each vehicle as well as an annual data plan all at an inclusive cost of \$3000.

Including a contingency for unforeseen expenses, Staff are requesting a \$40,000 budget in 2021 to conduct this pilot study.

Transit Fares:

As noted in the 2014 IBI Transit Study, it was recommended that fares be increased. After fourteen (14) years of no fare increases including nearly an entire year of collecting zero fares due to COVID19, it is proposed that rates be slightly increased in 2021. Following the conclusion of the one year pilot, a multi year fare increase plan may also be proposed once all capital and operating costs for the on demand system are understood. The current and proposed fares are as follows:

	Single Fare	Adult Monthly	Senior Monthly	Student Monthly
Current Fare	\$2.00	\$60.00	\$30.00	\$50.00/\$15.00*
Proposed Fare	\$2.25	\$65.00	\$35.00	\$50.00/\$25.00*

*Student all day pass/Student after 2pm pass

In accordance with the second recommendation of the IBI Transit Study, discounted single ride tickets (10 for \$16) will be eliminated.

Transit Fare Contactless Payment Options:

There is a need for contactless payments due to the recent global pandemic, as well as the closure of Victoria Hall. All transit fare collection for Cobourg transit has been suspended since March 18, 2020 to reduce the spread of COVID-19.

There is an urgency amongst municipalities and businesses to adopt touchless solutions as part of an overall strategy to help limit interactions with surfaces at counters, ticket machines and cash handling. Contactless payments are faster, safer and more convenient means for fare collection for the future.

Staff have researched options for online payment and smart card services for Cobourg Transit and there are two affordable methods that will continue to be investigated and brought back for Council's consideration. One option is through the proposed on-demand software application, where there could be the ability for riders to pay for their trip(s) on their phones/computers using the same software for booking trips. Riders who do not have the ability to book or pay by smart phone/computer, can call the dispatching centre and book their

trip and pay for their ride at the same time. Riders would also be able to pay for passes over the phone by calling the Town during regular business hours. At no additional cost to the Town, Rideco's software can provide this contactless fare payment option.

The second option utilizes the service provider we already use for the on board passenger counters. Both options have transaction fees associated with them so Staff will continue to develop a business case for each option and bring the results to Council for endorsement.

8.0 CONCLUSION

THAT Council direct Staff to implement a pilot project with Pacific Western Transportation (PWT), the parent company of Century Transportation and current operator of Cobourg Transit, to provide an on-demand transit service for the Town of Cobourg for a period of one (1) year, utilizing existing transit vehicle fleet and operating budget;

AND FURTHER THAT Council approve an additional \$40,000 in the 2021 operating budget for expenses associated with the pilot study including hardware and software.

12.0 AUTHORIZATION/SIGNATURES



Laurie Wills, P,Eng.
Director, Public Works



Tracey Vaughan
Chief Administrative Officer

Appendix A: Innisfil Ridesharing Transit Model Summary

Innisfil is a town located 45 minutes north of Toronto having a population of 37,000 and a serviced area of 262 square kilometers. By comparison, Cobourg has a population of 19,000 and serviced area of 18 square kilometers. The Town previously has never had a public transit system and upon reviewing options, settled on a subsidized fare program utilizing the services of Uber.

Innisfil Statistics to date:

	2017 (May-Dec)	2018	2019
Trips	26,688	85,943	102,487
Subsidy	\$150K	\$645K	\$846K
Riders	3,493	5,749	9,500
Drivers	1,393	2,203	4,500
Match Rate	17%	31%	33%
Wait Time*	9:10 mins	6:10 mins	4:36 mins
Completion Rate	71%	87%	84%

*In 2019, a 5 trip confirmation time was added to allow more time for ride matches (therefore 9:36 min average wait time in 2019)

Pros

- Services all areas of Town
- 24 hour / 7 day service for non-paratransit riders
- Convenient for smart phone users
- Job creation for drivers

Cons

- Possibility that business model objectives are not met with Cobourg/Northumberland demographic and company chooses to cease operating leaving Town without any transit option.
- Driver availability – unlikely to meet requirement in Cobourg (1400 drivers at Innisfil start up in 2017, now 4500)
- Variable budget: as ridership increases, so do costs. Opposite of typical transit service where increased ridership equals increased revenue.
- Have to cap monthly rides per rider to keep budget in check.
- Not accessible. Partnership with Barrie Taxi who provides accessible vehicles 24 hours/day.
- Municipality does not obtain ridership data.
- Potential of having to waive taxi license fees to support local companies.
- Non-professional/trained drivers potentially without security screening.

- Non-smart phone users have to call in to Town staff to book rides which requires significant resources to take calls, book rides, prepare invoices to bill back for rides taken. Challenge to receive payment from riders. Call in bookings only available during office hours. Town now having to partner with GoGo Technologies, the only company that provides a call-in service with billing integration specifically for Uber trips. Additional costs are \$0.27 per trip minute as well as \$1.50 per month for each rider actively using the call in service.

In summary, although the Innisfil model provides 24 hour / 7 days a week transportation service, it does not address paratransit needs for Cobourg, it is not known if the ridership demand is enough to support a business case for a TCN, it is not known if the driver demand can be met, and the variable costs associated with the service are alarming.