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### **DIAL-A-RIDE CONTRACT EXTENSION (CARES ACCESSIBLE TRANSPORTATION)**

**The Transportation Services Committee recommends the adoption of the recommendations contained in the following report dated January 22, 2013, from the Commissioner of Transportation and Community Planning.**

#### **1. RECOMMENDATIONS**

It is recommended that:

1. Council exercise the option to extend the contract with Cares Accessible Transportation (formerly 1210670 Ontario Inc. o/a, Scarborough City Cab) for the provision of services and accessible low-floor vehicles and sedans for the York Region Transit Dial-a-Ride Service on the following terms:
  - a) The term of contract be for a period of two years, to April 25, 2015, on the same terms and conditions as the current contract and outlined in this report.
  - b) The total estimated cost of the contract for two years be \$1,423,620, including the cost of fuel and excluding taxes.

#### **2. PURPOSE**

This report seeks authorization to extend the contract between The Regional Municipality of York and Cares Accessible Transportation for the operation of the Dial-a-Ride service for a period of two years to April 25, 2015. The extension period would be on the same terms and conditions outlined in the current performance-based contract and identified in this report.

#### **3. BACKGROUND**

**The contract for Dial-a-Ride services was awarded to Cares Accessible Transportation (formerly 1210670 Ontario Inc. o/a Scarborough City Cab) for a three-year period commencing April 26, 2010 and will expire April 27, 2013**

On May 15, 2008, after a successful three-year Dial-a-Ride pilot, Council approved the continuation of Dial-a-Ride service on the pilot route, Route 44, and the expansion of the

service to Routes 32, 34, 40, 41, 84 and 57, which operate in the Towns of Newmarket, Aurora and Richmond Hill, and the City of Markham.

Request for Tender T-08-40, was issued on October 7, 2008, for the provision of services and accessible low-floor vehicles and sedans for York Region Transit Dial-a-Ride service. The term of the contract is for a three-year period, expiring April 27, 2013. The contract provides for an option to extend the contract for an additional two-year period to April 2015.

York Region Transit's Five Year Service Plan, 2012 to 2016 and the 2013 Annual Service Plan continue to support Dial-a-Ride service.

#### **4. ANALYSIS AND OPTIONS**

##### **Dial-a-Ride service offers a cost-effective method of transit delivery**

The Dial-a-Ride service model offers a cost-effective method of providing transit delivery. The cost to provide Dial-a-Ride service is less than half the cost of conventional transit services (average of \$40 per billable hour compared to \$89 per billable hour). Additionally, Dial-a-Ride services provide savings in fuel consumption and improve the perception of public transit efficiency.

##### **The Dial-a-Ride service assists in preserving transit services in low ridership and low density suburban and rural areas**

The Dial-a-Ride concept falls into the category of demand-responsive transit service. It is designed to provide immediate local travel within a community with relatively low ridership. Customers call a central number and request a pick-up from their nearest bus stop. Dispatchers then send out an accessible vehicle, within a specified time frame, to the customer and take them to a key destination or bus stop where regular conventional fixed-route transit services are offered.

This type of delivery model has traditionally been applied in areas where demand for transit averages 10 passengers per hour, with a minimum of five boardings per hour, and when destinations are common (e.g. a GO Station, higher order transit line or shopping mall).

##### **The 2013 Annual Service Plan supports the continuation of the Dial-a-Ride service**

In 2013, Dial-a-Ride services will continue to operate on Routes 32, 40, 41, 44, 52 and 84 during non-rush hour times. The service will be expanded to include additional trips operating as Dial-a-Ride on Route 52, in the Town of East Gwillimbury, after 7 p.m.

weekdays and Saturdays, and the last northbound and southbound trips on Route 58, in the Town of East Gwillimbury.

Staff are assessing other conventional transit routes currently operating at a net cost per passenger of three and four times the average fare per passenger. Based on the results of the assessment, additional Dial-a-Ride service could be introduced on low ridership routes in 2013 and/or as part of the 2014 Annual Service Plan initiative.

At the discretion of the General Manager, Transit, the Dial-a-Ride contract scope of work may be modified to implement operating efficiency measures and address cost containment initiatives identified by staff.

## **Link to Key Council-approved Plans**

### **Vision 2051**

Interconnected systems for mobility:

- A system that prioritizes people and reduces the need for travel
- Prioritize alternative modes of travel for active transportation
- A variety of transit choices

### **2011 – 2015 Transit Service Plan**

YRT/Viva's network consists of multiple service types known as 'Family of Services':

- Dial-a-Ride is a demand/response-based type of transit

Policy framework/target performance:

- Weekday rush hours - All routes averaging 10 passengers per hour, with a minimum of five boardings per hour
- Other times – All routes averaging eight passengers per hour, with a minimum of four boardings per hour

### **2013 Transit Service Plan**

Service guidelines:

- Performance Indicator Guidelines - Regional subsidy per Route (net cost per passenger)

2013 initiative

- Expansion of the Dial-a-Ride service

## 5. FINANCIAL IMPLICATIONS

**The contract price of \$1,423,620, taxes excluded, is calculated based on the current billable hours and the 2013 hourly operating rate for year four and year five for the Dial-a-Ride services**

The proponent's year-three hourly rate (\$38.14) has been used as a baseline to estimate year four and year five of the contract. Year four and year five will be increased by an amount equal to Statistics Canada's April year-over-year cumulative Consumer Price Index rate or 2.5%, whichever is higher.

Table 1 provides a summary of the operating budget on estimated billable service hours over the two-year term of the Dial-a-Ride contract.

**Table 1**  
Estimated Two-Year Operating Budget – Dial-a-Ride

<b>Hourly Rate Calculation</b>	<b>Hourly Rate</b>	<b>Estimated Billable Hours</b>	<b>Pricing</b>
Year 4	\$39.09	18,000	\$703,620
Year 5	\$40.07	18,000	\$720,000
Total (includes fuel/excludes taxes)			\$1,423,620

Fuel is the responsibility of the contractor and is included in the hourly rate. The fuel escalation/de-escalation clause within the contract requires the Region to pay the contractor a fuel surcharge for each kilometre operated if the average thirty-day gasoline fuel price per litre exceeds five per cent of the established base price of \$1. In turn, if the average thirty-day gasoline fuel price decreases five per cent from the base price, then the contractor shall reimburse a rate adjustment to the Region for each revenue kilometre operated.

Over the current three-year term, the Region has received a total of \$2,272 from Cares Accessible as a rate adjustment reimbursement.

## 6. LOCAL MUNICIPAL IMPACT

The extension of the Dial-a-Ride operations contract with Cares Accessible will ensure uninterrupted transit service to York Region residents in low ridership and low density suburban/rural areas.

## **7. CONCLUSION**

It is recommended that the Cares Accessible contract with the Region for Dial-a-Ride services be extended for the period of two years to April 27, 2015.

Dial-a-ride services can provide savings in fuel consumption, be flexible and provide a cost-effective alternative in low-demand areas, as well as improve the perception of public transit efficiency.

For more information on this report, please contact Ann-Marie Carroll, Director, Transit Operations at Ext. 5677.

The Senior Management Group has reviewed this report.