

6

LOCAL FARE AGREEMENT AMENDMENT BETWEEN METROLINX (GO TRANSIT) AND YORK REGION

The Transportation Services Committee recommends the adoption of the recommendation contained in the following report dated May 27, 2010, from the Commissioner of Transportation Services.

1. RECOMMENDATION

It is recommended that:

1. Regional Council endorse an amendment to the existing agreement with GO Transit (now Metrolinx) to provide additional GO Route 69 - Sutton GO bus service between the Newmarket GO Bus Terminal and the intersection of High and Burke Streets in the Town of Georgina - at an initial annual cost of \$288,000, with an annual adjustment to the operating costs as determined by GO Transit.

2. PURPOSE

This report seeks authorization from Regional Council to execute an amending agreement between The Regional Municipality of York and Metrolinx (hereinafter "GO Transit") for the purpose of adjusting York Region Transit's purchase order for GO Transit to pay for additional Route 69 – Sutton service improvements required by YRT.

3. BACKGROUND

In 2007, the Region and GO Transit entered into an agreement to have Route 69 – Sutton GO Bus provide local service to the Town of Georgina with direct connections to YRT/Viva services in Newmarket. The fare agreement applied to all trips on Route 69 trips, Monday to Sunday. The frequency of Route 69 – Sutton was every 2 hours which is below the YRT/Viva minimum standard for a base route of 60 minutes. Sunday service was limited service. The routing of Route 69 – Sutton is shown on *Attachment 1*.

After the implementation, the Region requested GO Transit to provide additional service between the Newmarket GO Bus Terminal and the intersection of High and Burke Streets in the Town of Georgina. To accommodate increasing demand, three new northbound trips and three new southbound trips were implemented between the Newmarket GO Terminal and Sutton on weekdays. In addition, five new northbound and six new southbound trips were implemented on Saturdays. This required an amendment to the

local fare agreement which included updates to payment and number of trips. The additional trips were implemented in November 2008.

4. ANALYSIS AND OPTIONS

The York Region Transit Five-Year Transit Service Plan (2006-2010) identified several key objectives, including the need to improve both intra and inter-regional transit connections, the need to link smaller urban communities to larger urban transit service areas, as well as overall service quality in order to attract new users to transit and increase transit's modal share. In this regard, transit services in northern York Region are to focus on the larger urban transit service area of Newmarket.

When the original fare agreement was implemented in September 2007, the frequency of Route 69 – Sutton was every 2 hours.

In response to the Town of Georgina's request for additional service between Newmarket and Sutton, YRT/Viva recommended the following:

- Three additional weekday round trips from Newmarket to Sutton.
- Six additional Saturday round trips from Newmarket to Sutton.

It was determined by YRT staff that it would be most cost-effective for GO Transit to operate this service on the Region's behalf. Annually, YRT pays GO Transit approximately \$456,000 to operate this service, whereas it would cost YRT \$780,000 (\$930,000 operating cost - \$150,000 in revenue) annually to operate the service itself.

The 2008 Service Plan recommended the additional service. Providing additional Sunday service was not warranted in 2008, however, and was deferred for review as part of the future annual service plan process.

The additional service will be subject to the terms, conditions and amendments to the Local Fare Agreement. Two parties developed the updated Local Fare Agreement that met both parties' needs. The additional service was implemented in November 2008 which received budget approval for both 2009 and 2010. The 2009 invoices were financially supported by the previous local fare agreement resources. For the 2010 invoices, authorization from Regional Council is required to allow York Region to use the allocated funds to pay GO Transit for the additional service.

Although York Region Transit received Council approval to enter into the original agreement and the five-year service plan (2006 – 2010), Council authorization is required for the formal execution of the amending agreement.

5. FINANCIAL IMPLICATIONS

For all passengers carried by GO Transit under the Local Fare Agreement in respect to the additional trips, the Region is required to pay to GO Transit all of GO Transit's annual operating costs, \$288,000 in equal instalments in advance, in the amount of \$24,000.

Each year, GO Transit reviews the operating costs of providing the additional trips and may, at its sole discretion, adjust the annual operating cost, to be payable by the Region in equal monthly instalments.

The 2009 invoices were financially supported by the previous local fare agreement account. As part of the 2010 budget approval, the required amount to support the additional Route 69 Sutton service was approved and was included in the 2010 operating budget. In order for YRT to pay the 2010 invoices, it is required that Council authorizes York Region to use the allocated funds to pay GO Transit for the additional service.

YRT's Service Planning group is currently conducting a route review of Route 69 – Sutton. This route review is evaluating the option of this route to be operated by YRT within York Region. The outcome of the route review will be outlined in the future annual service plan.

6. LOCAL MUNICIPAL IMPACT

The amended Local Fare Agreement with GO Transit to provide additional transit service between Sutton and Newmarket provides residents in Keswick, Sutton, and Pefferlaw with more frequent service and allows customers travel on the GO Route 69 - Sutton GO bus using YRT/Viva fare media.

7. CONCLUSION

York Region Transit received Council approval to enter into the original Local Fare Agreement which was implemented in September 2007. Based on service requests for additional service, YRT and GO Transit worked together to amend the Local Fare Agreement in order to operate additional service. As part of the 2010 budget approval, the required amount to support the additional Route 69 - Sutton service was approved and was included in the 2010 operating budget. In order to disburse amounts under invoices in 2010, Regional Council authorization is required for the amending agreement with GO Transit to provide additional GO Route 69 - Sutton GO bus service between the Newmarket GO Bus Terminal and the intersection of High and Burke Streets in the Town of Georgina at an initial annual cost of \$288,000, with an annual adjustment to the operating costs.

For more information on this report, please contact Melanie Shaw at Ext. 5631.

The Senior Management Group has reviewed this report.

(The attachment referred to in this clause is attached to this report.)

