
Subject: NRT OnDemand - Niagara-on-the-Lake Inclusion

Report to: Public Works Committee

Report date: Tuesday, September 8, 2020

Recommendations

1. That the report from the Town of Niagara-on-the-Lake titled, "OPS-20-023" (Appendix 1 to Report PW 41-2020) **BE RECEIVED** for information;
2. That the Chief Administrative Officer **BE AUTHORIZED** to execute any amendments to the Agreement and/or Service Order with River North Transit, LLC (a.k.a. Via Mobility, LLC) in the amount of \$564,791 to enable the inclusion of a turnkey, on-demand transit service pilot in Niagara-on-the-Lake to be branded and administered as part of the NRT OnDemand pilot; and
3. That the Chief Administrative Officer **BE AUTHORIZED** to execute a Memorandum of Understanding between Niagara Region and the Town of Niagara-on-the-Lake to allow for Niagara Region to facilitate and administer the deployment of on-demand transit services within the Town of Niagara-on-the-Lake as approved in the terms and value outlined in Town report "OPS-20-023".

Key Facts

- The purpose of this report is to seek Council's approval to allow Niagara-on-the-Lake to integrate the Town's on-demand transit pilot into the Region's existing NRT OnDemand pilot program, in order to capitalize on the Region's preferred pricing, reduce administrative overhead, and facilitate ease of use for riders traveling between municipalities.
- PW 60-2019 authorized the Chief Administrative Officer to execute an agreement with Via Mobility for the deployment of on-demand transit in West Niagara which successfully launched August 17, 2020.
- Niagara Region staff has continued to seek additional partnerships for delivering on-demand transit and as a result of COVID-19, the Town of Niagara-on-the-Lake has confirmed its interest in piloting a local on-demand transit service.
- On August 24, 2020, Niagara-on-the-Lake's Council approved a pilot deployment for a \$564,791 on-demand service to operate within its municipal boundaries (Appendix 1). This pilot will be funded entirely by the Town but is only financially feasible if the

Town is able to leverage the bulk pricing procured by Niagara Region in its Agreement with Via Mobility.

Financial Considerations

While there are no direct costs to Niagara Region, the Memorandum of Understanding between Niagara Region and the Town of Niagara-on-the-Lake should provide consideration for indirect costs to NRT staff relating to the Contract Administration of the project on the Town's behalf within the existing NRT OnDemand envelope. Items such as customer service inquiries, community engagement, paid advertising, signage, etc. will need to be accounted for in the MOU.

It should also be noted that this additional service pilot is only financially feasible for the Town of Niagara-on-the-Lake if the program is merged with the existing NRT OnDemand service. This is due to Via Mobility's willingness to offer similar pricing but only as an extension of Niagara Region's existing contract. The reason being that the small deployment requested by the Town of Niagara-on-the-Lake is not sufficient to offer the bulk pricing that Niagara Region obtained as much of the technology and administrative costs are spread across the 10 vehicles and substantial service hours offered by NRT OnDemand.

Analysis

The Town of Niagara-on-the-Lake's report "OPS-20-023 - On-Demand Transit - Pilot Program Authorization" (Appendix 1) outlines multiple options with respect to service delivery including an option (Option 2) that would cover the entirety of the municipality. This option would have facilitated additional connectivity with the neighbouring municipalities of St. Catharines and Niagara Falls, at which point, it would have been prudent for Niagara Region to consider contributing financially as the main provider inter-municipal transit in Niagara.

Ultimately, Town staff recommended that their Council approve a limited coverage system (Option 1) that essentially facilitates trips along Regional Road 55 (Niagara Stone Road) while including the areas of Old Town, Virgil and Glendale. While this option does not provide enhanced connectivity to neighbouring municipalities, there is therefore no requirement for a Regional funding contribution.

While the Town's Council approved Option 1, an additional recommendation was amended to the report directing Town staff to "...review the possibility of moving to

Option 2 (four vehicles), subject to availability of funding from the Region and the Town (as part of the 2021 budget deliberations)". From the perspective of both Regional staff and the service provider, it is not desirable to expand the service so drastically mid-year as there are increased costs and logistical challenges to both NRT and Via. Regional staff can commit to reviewing the service for the first year giving consideration for expansion only after it is determined whether or not the pilot should be extended.

This ensures that the inclusion of service in the municipality of Niagara-on-the-Lake is entirely funded by the Town, while being administered by Niagara Region staff as part of NRT OnDemand.

Alternatives Reviewed

The alternative to including the Town's deployment as part of the NRT OnDemand system is to require the Town to negotiate its own contract terms with Via Mobility. A number of factors make that alternative undesirable if not entirely unfeasible. The financial feasibility of the Town of Niagara-on-the-Lake's deployment with Via Mobility is subject to the Town's ability to leverage the existing pricing negotiated by Niagara Region for its existing NRT OnDemand service. This bulk pricing is only available as part of the NRT OnDemand pilot. Additionally, from a rider perspective, providing a single online app and transit brand makes the user experience much simpler and highly efficient. Moreover, combining multiple transit agencies into a single service also highlights the collaborative feasibility of the work being undertaken more broadly as part of the larger ongoing transit governance review.

Relationship to Council Strategic Priorities

The IMT Service Implementation Strategy directly aligns with the Council Strategic Priority: Responsible Growth and Infrastructure Planning (Objectives 3.1 & 3.4) through advancing regional transit and facilitating the movement of people and goods.

Other Pertinent Reports

- PW 60-2019

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This report was prepared in consultation with Heather Talbot, Financial and Special Projects Consultant, and reviewed by Matt Robinson, Director, GO Implementation Office.

Appendices

Appendix 1 OPS-20-023 - On-Demand Transit - Pilot Program Authorization