

MEMORANDUM

PWC-C 3-2019

Subject: 2018 U-Pass Agreements

Date: January 8, 2019

To: Public Works Committee

From: Matt Robinson, Director – GO Implementation Office

The purpose of this memo is to provide an update on Niagara Region's fall 2018 U-Pass agreements with the Niagara College Student Administrative Council (NCSAC) and the Brock University Student's Union (BUSU) as directed by Regional Council (PW 26-2018).

The operating costs resulting from the fall 2018 service enhancements and reflected in the U-Pass agreement will not result in changes to the previously approved Niagara Region Transit (NRT) 2018 net operating budget. The proposed 2019 NRT operating budget forecast includes previously agreed upon service improvements under proposed program changes.

NCSAC – Niagara Region Agreement

The payments negotiated between NCSAC and Niagara Region for 2018-2019 academic year U-Pass privileges are presented in Table 1.

Table 1: NCSAC – Niagara Region Agreement Payments for U-Pass privileges		
Item	Amount	Period
NRT Routes		Sept. 2018 – Aug. 2019
Routes 40/45	\$481,301	
Routes 50/55	\$44,625	
Routes 60/65	\$893,537	
Routes 70/75	\$200,280	
Feeder Routes	\$13,388	
NRT Routes: Sub-total	\$1,633,131	
Feeder systems (paid through Niagara Region)		Sept. 2018 – Apr. 2019
Fort Erie	\$19,000	
Port Colborne	\$7,000	
NOTL	\$18,000	
Feeders: Sub-total	\$44,000	
Total Agreement Value	\$1,677,131	
Feeder System U-Pass Agreements outside of the Regional agreement		Sept. 2018 – Apr. 2019
Pelham*	\$10,000	
Total Value	\$1,687,131	

* NCSAC and Pelham entered into a separate agreement as the discussions had advanced earlier

The financial contribution from NCSAC was based on previous U-Pass payments for access to existing NRT routes, plus payments allocated to the local post-secondary routes (which have since been consolidated with NRT routes effective September 2018) and then adjusted for inflation. The final NCSAC payment was based on an agreed upon level of service and the schedule was published as the NRT schedule effective September 4, 2018. For this contribution, students (through the U-Pass) were granted unlimited access to the public transit system, which is subject to change as per the Region's discretion.

NCSAC – September Service Pressures

The September 2018 peak-period ridership on NRT Routes 40/45A (Niagara Falls – Glendale Campus corridor) and 60/65 (Niagara Falls - Welland corridor) surged due to higher than anticipated overall post-secondary enrolments. As a result, NCSAC agreed to purchase an additional \$417,600 of incremental service to meet the excess demand between September 2018 and April 2019. Niagara Region and the local transit operators developed the estimated increased cost of service.

Supplementary outcomes from negotiations

The local transit providers receive additional revenue from NCSAC through the utilization of the U-Pass on local transit service, known as “tap” revenue. Previously, the tap revenue, which was based on a per ride fee, was set independently by each transit provider and ranged from \$0.25 to \$0.60 per tap. In addition to Niagara Region U-pass payments provided above, a separate agreement was reached to apply a uniform tap rate of \$0.60/tap between September 2018 and April 2019 for all local transit operators enrolled in the U-Pass system.

BUSU – Niagara Region Agreement

The payments negotiated between BUSU and Niagara Region for U-Pass privileges are presented in Table 2. Similar to the NCSAC agreement, BUSU's payments are based on a level of service as published under the NRT Schedule effective September 4, 2018, with the Region having discretion to amend the routes and schedules. Under the terms of this agreement, Niagara Region collects the amounts for local tap revenue on behalf of Niagara Falls, as described under the “Supplementary outcomes from negotiations” section of this memorandum. The flow through amounts for feeder systems are included to reflect the full service cost paid by BUSU.

Table 2: BUSU – Niagara Region Agreement Payments for U-Pass privileges		
Item	Total	Period
NRT Routes		Sept. 2018 – Apr. 2019
Route 50/55	\$159,209	
Routes 40/45, 60/65, 70/75, PC Link and FE Link	\$70,639	
NRT Routes: Sub-total	\$229,848	
Feeder systems (paid through Niagara Region)		Sept. 2018 – Apr. 2019
Fort Erie	\$7,000	
Port Colborne	\$7,000	
NOTL	\$3,500	
Feeders: Sub-Total	\$17,500	
Total Agreement Value	\$247,348	
Feeder System U-Pass Agreements outside of the Regional agreement		Sept. 2018 – Apr. 2019
Pelham	\$5,000	
Total Value	\$252,348	

Negotiations for U-Pass academic year September 2019 - August 2020 will commence early in 2019, with NRT staff providing additional updates to Public Works Committee in the lead up to finalizing those agreements.

Respectfully submitted and signed by,

Matt Robinson
Director, GO Implementation Office