Agenda

• Overview: Where We’ve Been
• Successes: What We’ve Achieved
• Moving Transit Forward: Where We’re Going
• Budget 2019: How We Get There
Overview: Where We’ve Been

Key Inter-Municipal Transit Milestones:

<table>
<thead>
<tr>
<th>Year</th>
<th>Event Description</th>
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</thead>
<tbody>
<tr>
<td>2011-2017</td>
<td>NRT IMT pilot service</td>
</tr>
<tr>
<td>June 2017</td>
<td>Unanimous ‘triple majority’ achieved</td>
</tr>
<tr>
<td>Dec. 2017</td>
<td>Unanimous transit MOU (STC/NR/NF/WE)</td>
</tr>
<tr>
<td>May 2018</td>
<td>Unanimous 3-year ext. of NRT service</td>
</tr>
<tr>
<td>Sept. 2018</td>
<td>IMT Service Implementation Strategy</td>
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</table>
Milestones: What We’ve Achieved

LNTC/IMTWG focus is on numerous customer-facing system improvements

- 3-year NRT operating extension – now ‘permanent’ service with triple majority
- Post-secondary student union contracts (U-Pass agreements)
- Sept. 2018 NRT service enhancements
- Single mobile platform for all systems – Transit App
- Common Service Guidelines – consistency/standardization across all systems
- Distinct route numbers to avoid customer confusion
- Backend on/off board technology merger to single provider
- Consolidated after hours customer service provider
- “Moving Transit Forward” – public awareness campaign
Transit Governance: Aspirational Timelines

2017 Service Base

Existing Niagara Region Transit System

Phase 1
Year 1 (2018)

Existing service optimization & information gathering

Service Enhancements Phase 1

Studies / Analysis

Phase 2
Years 2-3 (2019-2020)

Additional service + alternatives development & monitoring service delivery

Service Enhancements Phase 2

New Transit Structure
Set-up Years 2-3 (2019-2020)

1. Business Case
   NRT system governance options & costing

2. LNCT preferred alternative

3. Local & Regional Council endorsements

4. Final transit governance model
   *may require triple majority*

Additional Studies (TBD)

Phase 3
2021

Long-term service improvements & information gathering

New Niagara Transit Service

2021 Service Base

Other Milestones
- Grimsby GO Rail Service (2021) – opening day TBD
- 2021 Summer Games (August)

Key Studies & Long Term Transit Service & Planning Decisions

Niagara Region

Moving Transit Forward
Moving Transit Forward: Where We’re Going

- Rationalization of duplicate post-secondary routes for efficiency
- Better integration with municipal transit i.e. 30 minute Service, Sunday and Holiday Service
- New Niagara-West IMT link (integration with GO Transit – bus + train)
- New dynamic transit services for low-demand areas
- Improved connections to GO Train service
- Integrated fares and payment technology i.e. mobile ticketing
- New or enhanced amenities, e.g. Wi-Fi, bus shelters
**IMT Service Enhancement Implementation Strategy**

- **2017 Service Base**
- **Phase 1**
  - Year 1 (2018)
- **Phase 2**
  - Years 2-3 (2019-2020)
- **New Transit Structure**
  - Set-up Years 2-3 (2019-2020)
- **Phase 3**
  - 2021
- **2021 Service Base**

**Service Hours (hrs)**

- **41,000**
  - • 8 NRT Routes
  - • 2 Feeder Routes

- **48,000 hrs**
  - • Merge NFT Route 21 with 60/65
  - • Merge SCT Route 27 with 70/75
  - • Add service hours to 60/65

- **89,000 hrs**
  - • Merge SCT Route 26 with 40/45
  - • Merge Brock Link & NOTL with 70/75
  - • Initiate a new NRT route connecting Brock & NOTL Campus
  - • Add Service Hours to 40/45, 50/55, and 70/75
  - • Add service hours to PC & FE links
  - • Add NRT-west service routes (pilot)
  - • Add Pelham & Lincoln feeder connection routes (pilot)

- **149,000 hrs**
  - **151,000 hrs**

*Subject to Regional Council Approval*
NRT Revenue Outlook

Regional transit relies heavily on Post Secondary students
- Proposed route consolidation will transfer NCSAC charter service expenditures into NRT U-Pass revenue
- Increased ridership on NRT results in increased PGT for Niagara Region

Future Transit Revenue Growth
- Continue to work with Post Secondary Institutions to ensure appropriate contributions for enhanced service
- Expansion to support GO will generate additional ridership and revenue
- Discussions with MTO requesting additional PGT over next 5 years
- Provincial PGT announcement to double municipal allocations by 2022 should generate sufficient funding for 2 bus lifecycle replacements annually

<table>
<thead>
<tr>
<th>Revenue Sources</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
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<tbody>
<tr>
<td>NRT U-Pass Revenue (BUSU+NCSAC)</td>
<td>0.7M</td>
<td>2.9M</td>
<td>3.8M</td>
</tr>
<tr>
<td>Other Cash, Pass Revenue</td>
<td>0.7M</td>
<td>0.7M</td>
<td>1.1M</td>
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<tr>
<td>Total Revenue</td>
<td>1.4M</td>
<td>3.7M</td>
<td>5.0M</td>
</tr>
<tr>
<td>Provincial Gas Tax</td>
<td>0.7M</td>
<td>0.8M</td>
<td>0.9M</td>
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NRT 2019 Budget Strategy

2019 Budget Consideration

Support regional integration, GO Service & Economic Development through *Separate Transit Levy*

- $11.5M total operating budget to support the proposed NRT service enhancements
- Increase of $7.9M or 2.3% separate levy in 2019 for operating and capital costs

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<tr>
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<th>2018</th>
<th>2019</th>
<th>2020</th>
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<tbody>
<tr>
<td>Net Operating Costs</td>
<td>3.6M</td>
<td>10.1M</td>
<td>12.7M</td>
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<tr>
<td>Debt Financing</td>
<td>1.4M</td>
<td>1.4M</td>
<td>1.4M</td>
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<tr>
<td><strong>Total Operating Costs</strong></td>
<td><strong>3.6M</strong></td>
<td><strong>11.5M</strong></td>
<td><strong>14.1M</strong></td>
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<tr>
<td>Incremental cost (incl. debt)</td>
<td>7.9M</td>
<td>2.6M</td>
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<tr>
<td>Separate Transit Levy</td>
<td>2.3%</td>
<td>0.7%</td>
<td></td>
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<tr>
<td>Capital</td>
<td>3.3M</td>
<td>13.9M</td>
<td>1.5M</td>
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- Supports $13.9M in 2019 capital assets
  - 14 additional buses (6 required to replace local fleet & 8 for service enhancement /expansion)
Transit Jurisdictional Comparison

Proposed transit investment consistent with other southern Ontario jurisdictional comparisons

Efficient Service: Greater service hours with lower net operating costs

Equitable Service: Integrated transit services throughout the Region

Effective Service: Low operating costs and strong R/C ratio; ridership growth increasing beyond 2020 with better local and GO Transit integration through 30 min daily service and addition of Sunday/Holiday services

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<tbody>
<tr>
<td>Ridership</td>
<td>19.7M</td>
<td>21.4M</td>
<td>22.9M</td>
<td>10.2M</td>
<td>8.9M</td>
<td>9.6M</td>
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<tr>
<td>Total Direct Operating Expenses</td>
<td>$86.3M</td>
<td>$89.5M</td>
<td>$64.9M</td>
<td>$70.5M</td>
<td>$45.6M</td>
<td>$57.8M</td>
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<td>Total Operating Revenues</td>
<td>$34.3M</td>
<td>$41.7M</td>
<td>$32.3M</td>
<td>$26.6M</td>
<td>$21.9M</td>
<td>$25.7M</td>
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<tr>
<td>Net Operating Costs</td>
<td>$52.0M</td>
<td>$47.7M</td>
<td>$32.5M</td>
<td>$43.9M</td>
<td>$23.8M</td>
<td>$32.1M</td>
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<tr>
<td>R/C Ratio</td>
<td>40%</td>
<td>47%</td>
<td>50%</td>
<td>38%</td>
<td>48%</td>
<td>44%</td>
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<tr>
<td>Service Hours</td>
<td>770,136</td>
<td>875,028</td>
<td>667,669</td>
<td>545,774</td>
<td>443,335</td>
<td>554,911</td>
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<tr>
<td>Approx. Full Time Student Population</td>
<td>52,000</td>
<td>41,000</td>
<td>50,000</td>
<td>21,000</td>
<td>27,000</td>
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