



# REPORT

## 2024 Budget Committee

Meeting Date: September 19, 2023

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**FROM:** Finance Department  
**DATE:** September 12, 2023  
**SUBJECT:** Responses to Transit Questions  
**LOCATION:** Town-wide

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### RECOMMENDATION:

That the 2024 Budget Committee receive the questions from Councillor Haslett-Theall and responses from staff related to Oakville Transit.

### KEY FACTS:

The following are key points for consideration with respect to this report:

- The report outlines questions from Councillor Haslett-Theall and answers from staff related to Oakville Transit.

### BACKGROUND:

Questions related to Oakville Transit were submitted via email on August 8, 2023 by Councillor Haslett-Theall.

### COMMENT/OPTIONS:

The following questions were submitted. Answers to some of the questions below can also be found in the annual Transit business plan.

*What are the number of riders each year for the past 5 years (a pre and post Covid understanding was asked for)?*

The table below represents the Oakville Transit annual ridership figures.

Oakville Transit Revenue Ridership					
	2018	2019	2020	2021	2022
Ridership	3,019,421	2,968,776	1,079,543	1,292,066	2,167,452

What is cost per rider each year for the past 5 years?

The table below represents the total cost per individual rider. The calculation is based on total operating cost divided by total ridership (as noted in the previous table).

Oakville Transit Total Operating cost per rider					
	2018	2019	2020	2021	2022
Cost per ride	\$8.68	\$8.78	\$22.65	\$18.48	\$13.84

What has been the annual investment in electrifying the fleet?

The total capital investment for electrification to date is shown in the table below. In addition, the 2023 budgeted transfer to the Transit equipment reserve was increased by \$532,900 for future replacement of electric buses. Given the higher cost of electric buses, the operating transfer to the Transit equipment reserve will have to increase at an estimated \$65,000 annually per conventional bus and \$46,000 per specialized bus; this will be adjusted during the 2024 budget process to plan for the replacement of electric buses.

Project	Project Classification	Life-to-Date Budget
54212301 Capital Lease for Charging Infrastructure	Program Initiatives	4,200,000
54212307 Transit Facility Expansion	Program Initiatives	18,000,000
54411904 Electric Expansion Buses	Growth	3,228,000
54412005 Specialized Electric Vehicle Replacement	Infrastructure Renewal	1,433,000
54412006 Specialized Electric Vehicle Expansion	Growth	2,051,000
54412102 Electric Bus Charging Infrastructure-Heavy Duty	Program Initiatives	2,151,190
54412104 Electric Replacement Buses	Infrastructure Renewal	11,099,000
54412202 Electric Expansion Buses	Growth	4,822,000
54412203 Specialized Electric Vehicle Replacement	Infrastructure Renewal	3,342,000
54412204 Specialized Electric Vehicle Expansion	Growth	516,000
54412206 Electric Replacement Buses	Infrastructure Renewal	12,733,000
54412306 Specialized Electric Vehicle Replacement	Infrastructure Renewal	1,911,400
54412307 Specialized Electric Vehicle Expansion	Growth	519,100
54412308 Electric Replacement Buses	Infrastructure Renewal	8,240,800
<b>Total Capital Investment to date</b>		<b>\$74,246,490</b>

What has been the overall transit budget excluding electrification investments for the past 5 years?

The capital and operating Transit budget excluding electrification investments and impacts is shown in the tables below.

Capital	2023	2022*	2021	2020	2019
Total Capital Investment excluding electrification investments	\$ 6,469,400	\$ 24,739,500	\$ 3,399,100	\$ 13,851,000	\$ 5,897,000

\*\$21.45 million is for project 54202203 Palermo Terminal for land purchase and subsequent construction of a transit terminal in the north-west area

Operating	2023*	2022	2021	2020	2019
Transit Net Tax Levy excluding electrification impacts	\$ 33,189,500	\$ 29,288,300	\$ 28,166,300	\$ 24,128,800	\$ 23,547,500

\*excludes the increase in the budgeted transfer to the Transit equipment reserve of \$532,900 for future replacement of electric buses

What is the cost of ride on demand pilot?

The current On-Demand pilot is being delivered within the existing staffing and resources of the Oakville Transit specialized service business unit. If the Town were to introduce additional On-Demand services within the town, either expanding the service area or expanding the service hours, the following represents the costs associated with any further expansion of On-Demand service:

- Cost of an operator and a vehicle on a per hour rate, typically costing approximately \$85 an hour
- Operating a full day, 12 hrs per weekday will cost \$257,000 per year

Do we know what similar sized municipalities spend on transit and how much each ride is covered by taxes versus the fare box?

The table below represents the total operating expenses and the revenue/cost ratio as reported in the Canadian Urban Transit Association fact books. The table includes all systems within the GTHA, in addition to a few similarly sized communities outside the GTHA.

Comparator of Total Operating Expenses of Transit Agencies as reported in CUTA fact books, 2017 to 2021.

	Total operating expenses					R/C Ratio				
	2017	2018	2019	2020	2021	2017	2018	2019	2020	2021
Brampton	\$ 138,889,003	\$ 151,545,838	\$ 163,964,086	\$ 156,137,048	\$ 168,553,321	50%	52%	50%	26%	31%
Burlington	\$ 15,756,139	\$ 17,327,842	\$ 18,662,693	\$ 19,199,697	\$ 20,240,343	35%	32%	29%	14%	20%
Durham Region	\$ 80,212,511	\$ 88,464,932	\$ 92,045,218	\$ 87,310,228	\$ 90,166,785	38%	37%	37%	19%	22%
GO	\$ 1,606,653,790	\$ 1,855,974,494	\$ 2,133,010,552	\$ 2,066,271,288	\$ 2,245,255,510	61%	57%	53%	8%	14%
Guelph	\$ 27,054,851	\$ 27,701,845	\$ 28,937,252	\$ 26,459,909	\$ 27,773,769	45%	46%	46%	21%	18%
Hamilton	\$ 97,063,759	\$ 103,533,647	\$ 107,550,555	\$ 106,416,035	\$ 112,433,013	47%	45%	47%	26%	27%
Milton	\$ 5,606,053	\$ 6,221,136	\$ 6,551,294	\$ 6,020,418	\$ 6,327,529	31%	32%	31%	13%	12%
Mississauga	\$ 181,858,710	\$ 194,500,277	\$ 207,421,152	\$ 197,478,410	\$ 200,803,675	48%	47%	45%	22%	25%
Oakville	\$ 25,514,135	\$ 26,724,250	\$ 26,415,361	\$ 23,580,017	\$ 23,880,514	32%	33%	33%	15%	15%
St. Catharines	\$ 21,103,898	\$ 22,655,635	\$ 23,759,215	\$ 22,553,670	\$ 25,212,126	51%	50%	49%	32%	30%
Toronto	\$ 1,700,988,311	\$ 1,808,266,331	\$ 1,921,737,036	\$ 1,887,325,570	\$ 1,956,220,585	73%	69%	66%	31%	26%
Waterloo Region	\$ 96,567,409	\$ 104,333,774	\$ 141,945,842	\$ 149,168,875	\$ 157,072,675	40%	41%	36%	18%	19%
York Region	\$ 187,031,439	\$ 187,595,042	\$ 187,971,165	\$ 164,230,217	\$ 169,331,351	40%	40%	41%	21%	21%

*Finally, can you remind us of the cost to address the necessary changes to the Transit building?*

The staff report entitled “Oakville Transit – The provision of Energy Infrastructure and Energy Services Agreements – RFP-48-2021” that went to Council on January 30, 2023 indicated that the construction of the facility expansion with LEED Silver certification to accommodate the energy infrastructure for electrifying the transit fleet is estimated to be \$18 million.

**CONSIDERATIONS:**

**(A) PUBLIC**

All budget meetings are open to the public and will be streamed online.

**(B) FINANCIAL**

Financial information in this report is based on the annual Transit business plan.

**(C) IMPACT ON OTHER DEPARTMENTS & USERS**

Finance staff worked with Transit staff to prepare the answers to the questions.

**(D) CORPORATE STRATEGIC GOALS**

This report addresses the corporate strategic goal(s) to:

- support a transparent and accountable government.

**(E) CLIMATE CHANGE/ACTION**

Climate change/action is a key priority of Council.

Prepared by:

Dalibor Stancovici

Manager of Financial Planning and Policy

Joanne Phoenix

Manager of Planning and Administrative Services

Recommended by:

Jonathan van der Heiden

Deputy Treasurer and Director of Finance

Adrian Kawun

Director of Oakville Transit

Submitted by:  
Nancy Sully  
Commissioner of Corporate Services and Treasurer

Phoebe Fu  
Commissioner of Community Infrastructure