

**EDMONTON TRANSIT SYSTEM ADVISORY BOARD**  
**MEETING #11, NOVEMBER 18, 2013**  
**HERITAGE ROOM, CITY HALL**

**PRESENT:** Christopher Dulaba, Bruce Robertson, Amy Mannix, John Hayes, John Vandenberg (partial), Vaughan Hoy, Anand Pye, Shannah Sutherland, Gordon Smith, Cristina Stasia, I. Roux

**REGRETS:** Leanne Landry, Stu Litwinowich (ATU 569)

**ETS AND CITY STAFF:** Troy Shewchuk (Strategic Planning Officer), Vicki Luxton (Recording Secretary)

**1. CALL TO ORDER**

- V. Hoy called the meeting to order at 5:30 pm.

**2. 2014 TRANSIT BUDGET DISCUSSION (V. HOY)**

- ETSAB members discussed Edmonton Transit System's proposed 2014 budget in length and drafted a list of important items.
- The members broke into groups to further discuss items, make a decision as to which items were of importance to bring to Public Hearing at Council on Monday, November 25, 2014.

**3. APPROVAL OF THE NOVEMBER 18, 2013 AGENDA**

- Remove Priority Projects from the agenda and add the Fare Structure and Payment System Sub-Committee under Information.

MOVED: \_\_\_\_\_ by A. Pye/J. Hayes to approve the November 18, 2013 amended agenda.

**CARRIED**

Amended  
Agenda  
Approved

**4. APPROVAL OF OCTOBER 28, 2013 MINUTES**

- The following changes/additions were made to the October 28, 2013 minutes:
  - Comments that are under the Marketing Sub-Committee section should be under the Long Term Fare Strategy Sub-Committee.
  - On Page 6 under J. Hayes question "i.e. Downtown and the Cloverdale Neighborhoods" change to read "Downtown and inner city neighborhoods such as Cloverdale neighborhood".
  - On Page 11, change (SM) to (AM).

MOVED: \_\_\_\_\_ by A. Mannix/S. Sutherland to approve the amended October 28, 2013 minutes.

**CARRIED**

Motion  
Approved

**5. MANAGER'S REPORT (T. SHEWCHUK)**

- Highlights:
  - N. Walters has drafted a power point presentation response to the Marketing Sub-Committee and would like to talk to the Sub-Committee. It was decided that N. Walters would talk to the Sub-Committee with arrangements to be confirmed at the end of the meeting.

- Travel arrangements to the CUTA Conference on November 26<sup>th</sup> were discussed and it was decided that V. Luxton will look after B. Robertson's fuel expenses after he supplies her with his receipts. I. Roux will be taking C. Dulaba's spot at the Conference.
- ETSAB's Retreat will be on Saturday, January 18, 2014 in the Heritage Room of City Hall from 9:00 am to 3:00 pm.
- The Board's annual report and work plan are due to be submitted to TC by March 30, 2014.
- The Agencies, Boards and Commissions Policy (ABC Policy) – there will be a draft policy sent out to ETSAB in early January for comments.
- Recruitment for new members will start in January, 2014.

## **6. PROPOSED BUDGET COMMENTS DEVELOPMENT (V. HOY)**

- The following items were listed and discussed following the break out session:
  - 1) Governance Model: ETS as a business unit is tasked with providing an ever-expanding, affordable and economically efficient service to Edmontonians. However, the current governance model under which ETS operates burdens ETS with costs and initiatives over which they do not have full control. For example 25% of ETS's budget is included under Fleet Services with no service level agreement. This structure inhibits ETS's ability to control costs, quality and reliability of fleet maintenance, fuel supply and other services supplied internally by other divisions. Bus services at peak periods have been affected. ETSAB recommends that the current governance model be re-examined and revised with the goal of providing ETS with more flexibility in managing its costs and applying any cost savings that can be realized towards improving its core services. ETSAB sees the opportunity for administrative restructuring that will provide ETS with a governance structure that encourages cost savings and improved service levels.
  - 2) Regional Cost Sharing: The taxpayers of the City of Edmonton subsidize approximately 60% of the costs of each trip on the Edmonton Transit System, including trips made by users who live elsewhere, for example, citizens of Sherwood Park, St. Albert, and Leduc etc. Edmonton's park and ride facilities are similarly used by our regional neighbours. We recommend that the City of Edmonton enter negotiations with its regional partners and/or the Government of Alberta to recoup the ongoing costs of providing transit services to users who are not residents within Edmonton's city limits contributing to overall transit costs.
  - 3) Capital Depreciation Reserve: In previous years, funds were allocated directly within the ETS operating budget for the regular replacement of an aging bus fleet and other capital items such as escalators. This was suspended in favour of obtaining funds from the provincial Municipal Sustainability Initiative. Items that require regular capital replacement now compete with many other priorities on an annual basis. For example, poor availability of functioning escalators at stations is a first impression of the quality of LRT services to new customers and tourists to the City of Edmonton, and current regular transit users. To maintain the quality and reliability of transit services, we recommend a return to stable funding in the form of a depreciation reserve within the ETS operating budget for the routine replacement of basic capital items.
  - 4) Fare Structure: ETSAB would like to commend ETS for holding the line on

most fares this year. While ETSAB appreciates that no increase in fares are planned in the 2014 budget, ETSAB highly recommends a review of the fare structure in the near-term. A revised fare structure, for example in the form of peak and off-peak pricing, may substantially reduce the need for several of the unfunded service packages requested by ETS.

Looking forward and acknowledging the continuing expansion of the geographic area covered by ETS services, and the fact that revenues in the form of reasonable fares are essential to the ongoing sustainability of ETS. ETSAB would recommend that ETS, Administration and Council actively work towards a prioritized decision on a long term fare strategy for ETS.

- 5) Non-Fare Non-Fare Revenue Growth: Non-fare revenue is growing much slower than fare product revenue. Increasing non-fare revenue is critical in order to:
  - a) Reduce ETS's heavy dependency on just fare revenue to fund the system.
  - b) Increase the public's perception of safety around LRT stations. It is a well documented statistic that increased presence of merchants/consumers and 'eyes on public spaces', has the potential to increase the customer's sense of safety and amenity, and therefore increase ridership.
  - c) Increase customer satisfaction with the transit system overall through amenity based enhancements thereby promoting increases in ridership.

ETSAB's marketing sub-committee has a number of strategies to increase non-fare revenue. These strategies were detailed in a letter to administration on August 29<sup>th</sup> to Nathan Walters. We have not yet met with administration regarding these strategies. We can send these recommendations directly to Transportation Committee upon request. We are also available to present these recommendations to Transportation Committee at their convenience.

- 6) 3-1-1 Calls for Transit Information: It is estimated that slightly over 50% of the calls to 3-1-1 are for transit-related assistance, of which 90% inquiries are regarding bus and train schedules. These calls carry a direct cost to taxpayers of \$6 per call while the fare is only \$3.20.

Given the numerous methods on offer to obtain schedule information and related assistance (signage, schedule pamphlets, automated schedule hotline, website and smart phone tools), there is an opportunity for Council to save considerable costs by consolidating services. In practice this may involve requiring citizens to call the automated schedule hotline (Bus link) rather than 3-1-1 to obtain information by phone. The cost to the customer for calling Bus link is the same as calling 3-1-1 however; the cost to the CoE is drastically lower.

- V. Hoy will draft a letter to Council incorporating these items in the order listed and he would appreciate any input from the members on these six items sent to him/ all members by the end of the evening because of the urgency of this item going to Council on Monday, November 25, 2013.

## 7. INFORMATION SECTION (V. HOY)

- ATU 569 Report (S. Litwinowich)
  - No report.
- Fare Structure and Payment System (A. Mannix)
  - L. Stewart would like to speak to the Sub-Committee members the first week of December regarding the two reports that were recently drafted by this Sub-

- Committee to go to TC.
- T. Shewchuk confirmed that those two reports will go directly to the Office of the City Clerk (OCC) and that they will bypass the Branch Manager's and General Manager's offices. The OCC needs one to two weeks notice and then these items will be added to the agenda on the next upcoming TC meeting. However OCC needs clarity if the member(s) want to present in person these two reports.
- Answers to Questions raised by the Edmonton Transit Advisory Board (October 28, 2013, T. Shewchuk)
  - The members thanked T. Shewchuk for his answers to their questions especially his response to the status of the 'out of order' escalators throughout the system.

#### **8. TOPIC(S) OF THE NIGHT**

- The Board members appreciated the time and effort put into presenting the ETS budget in a clear and comprehensive manner by C. Stolte and T. Shewchuk. ETSAB's comments on this budget will follow in the near future.

MOVED: by J. Vandenbeld/B. Robertson to adjourn the November 18, 2013 ETSAB Meeting at 8:40 p.m. **CARRIED**

Motion  
Approved

**Next meeting and Christmas Social: Monday, December 16, 2013 in the Heritage Room, City Hall**

#### **MEETING DATES**

<del>January 19, 2013</del>	<del>August 26, 2013</del>
<del>January 28, 2013</del>	<del>September 30, 2013</del>
<del>February 25, 2013</del>	<del>October 28, 2013</del>
<del>March 25, 2013</del>	<del>November 18, 2013</del>
<del>April 29, 2013</del>	December 16, 2013 (3 <sup>rd</sup> Monday)
<del>May 27, 2013</del>	January 18, 2014 (Saturday)
<del>June 24, 2013</del>	
<del>July 22, 2013</del>	