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Report 2024-080

Report Title: Commuter Connect Pilot Utilization Extension Review

Committee Name: Economic Development, Tourism and Planning

Committee Meeting Date: June 5, 2024

Prepared by: Dan Borowec
Director
Economic Development, Tourism and Strategic Initiatives

Approved by: Jennifer Moore, CAO

Council Meeting Date: June 19, 2024

Strategic Plan Priorities: Innovate for Service Excellence
 Ignite Economic Opportunity
 Foster a Thriving Community
 Propel Sustainable Growth
 Champion a Vibrant Future

Recommendation

“That the Economic Development, Tourism and Land Use Planning Committee, having considered Report 2024-080 ‘Commuter Connect Pilot Utilization Extension Review’, recommend that County Council conclude the Durham Line pilot project effective August 2, 2024.”

Purpose

To review the utilization of the Commuter Connect Pilot Extension and provide a recommendation to conclude the pilot.

Background

It is important to recognize that this initiative was a pilot. The intention was to determine the viability of a transportation model using logistics and supply chain technologies and acquire data that could then be used to make informed decisions.

The pilot utilized existing assets to minimize capital investments and created a mobile customer service application and payment portal.

The pilot was supported by a detailed marketing strategy and an intensive campaign to create awareness and garner ridership. The campaign certainly created resident interest driving individuals to the payments portal, but this did not translate into ridership.

The pilot also exposed the challenges of 500 kms of county roads over 1900+ sq. kms. The lack of population density, compounded by distance, and a constituency immersed in a car culture makes for a very difficult transition to public transportation with limited scheduling options.

At the October 18, 2023 meeting of County Council, County Council supported the recommendation to conclude the Commuter Connect Pilot Project as found in Report 2023-118, however County Council supported the continuance of the Durham Line for the period 2024 to 2026 with a report to come back to Council for ways to reduce losses and increase ridership.

The content of this report reflects the level of utilization and costs associated with maintaining the Durham line within the first 4 months of 2024 and the impact of the creation of VIA Train 651, as opposed to the reinstatement of VIA 641 for commuters.

Consultations

The service provider continues to market the transportation service and solicit rider commentary regarding the service.

Financial Impact

Period Jan - April 2024

Total Rides	1,566
Gross Cost	\$91,640.00
Revenue	\$18,044.00
Net Cost	\$73,596.00
Cost/Ride:	\$ 47.00

Financial Impact of Reduced Service – See Reducing Transportation Service below.

Current average monthly ridership 390

Less 35% estimated new ridership 254

Monthly cost: \$19,632.00 (20 days at \$660 + HST + \$3,000 Hop In Fee)

Revenue generated \$ 3,302.00 (254 rides x \$13)

Net Cost \$16,330.00

Cost/Ride \$ 65.00

The lost ridership will cause the subsidy to go up if we cut back.

Rides have increased; however, staff opinion is that it remains cost prohibitive. With the creation of VIA 651 morning service, we anticipate lower ridership moving forward.

Legislative Authority / Risk Considerations

N/A

Discussion / Options

Reducing transportation service

The thought is that most ridership takes place during the two moments of rush hour. Therefore, there will only be service from:

Oshawa GO	915 Bloor St W, Oshawa, ON L1J 8M6 (near main entrance in front of parking lot)	5:25 AM
Northumberland Mall	1111 Elgin St W, Cobourg, ON K9A 5H7 (pick up at shelter near Giant Tiger)	6:15 AM
Carpool Lot - Philips Rd	Philips Rd & Wellington St, Port Hope	6:30 AM
Oshawa GO	915 Bloor St W, Oshawa, ON L1J 8M6 (near main entrance in front of parking lot)	7:20 AM
Oshawa GO	915 Bloor St W, Oshawa, ON L1J 8M6 (near main entrance in front of parking lot)	6:20 PM
Carpool Lot - Philips Rd	Philips Rd & Wellington St, Port Hope	7:10 PM
Northumberland Mall	1111 Elgin St W, Cobourg, ON K9A 5H7 (pick up at shelter near Giant Tiger)	7:25 PM

Estimated per day cost:

- 15 seat minibus - \$660.00 + tax instead of \$775.00
- 24 seat minibus - \$780.00 + tax if a larger size is needed in the future.

By reducing to just those times, **we will lose approximately 30%-35% of ridership.**

Member Municipality Impacts

N/A

Conclusion / Outcomes

Below is the most current summary of information.

1460 unique accounts on our platform

- Up 153% since the start of the year

308 individual active riders in the month of May

- These are riders who have rider credits or who have traveled in with Commuter Connect in the last month.

Average weekly ridership is 86 rides, target is 120 rides per week.

Target number comes from operating the popular times at almost full capacity every day.

- January rides per week - 84
 - Up 58.5% from 2023 at the same time
 - February rides per week - 83
 - Up 53.7% from 2023 at the same time
 - March rides per week - 86
 - Up 75% from 2023 at the same time
 - April rides per week - 94
 - Up 80.8% from 2023 at the same time
- Credits coverage - \$15,500.00

Average credit coverage of \$4,511.00 underwrites 30% of transportation cost.

Target credit coverage of \$6,240.00 underwrites 40% of transportation cost.

Regardless the County is underwriting between 60% to 70% of the pilot.

Granted there has been a substantive increase in ridership in comparison to the same period last year that is reflective of the greater awareness on the part of the community as to the existence of the service rather than outright demand. Current numbers reflect a plateauing of usage and a reduction in ridership over the summer months.

Given the information regarding the cost of operations for the service found within the report, staff recommend that the service be discontinued effective August 2, 2024.

Attachments

N/A