



The Corporation of the Town of Milton

Report To: Council

From: Tony D'Alessandro, Director, Transit Services

Date: June 24, 2024

Report No: CORS-021-24

Subject: Milton Transit Five-Year Service Plan and Master Plan Update

Recommendation: THAT the Milton Transit Five-Year Service Plan and Master Plan Update (referred to herein as “Five-Year Service Plan”) be received;
AND THAT Appendix 1 Milton Transit Five-Year Service Plan and Master Plan Update be endorsed to help guide the improvement and expansion of the Milton Transit network and services through the next five years (2025-2029);
AND THAT Council approve the Transit Investment Strategy target of one (1) service hour per capita as the goal to be achieved by 2041 as outlined in the Five-Year Service Plan;
AND THAT Council endorse the Zero-Emission Bus (ZEB) Feasibility Strategy and Fleet Transition Plan (referred to herein as “ZEB Feasibility Strategy”) noting that the proposed transition timeline is subject to approval through the annual Budget process.

EXECUTIVE SUMMARY

- The Five-Year Service Plan provides a road map for the development of Milton Transit services to accommodate forecasted growth and to maintain service efficiency, effectiveness and resiliency.
- Service improvements highlighted in the Five-Year Service Plan are subject to adjustment through implementation phases and require subsequent approval through the annual Budget process.
- Public and stakeholder engagement throughout the planning and development stages helped shape final recommendations.

- The Five-Year Service Plan establishes an Investment Strategy that targets **one (1) service hour per capita**¹ as the goal to be achieved by 2041. This approach prioritizes a number of program improvements over the short, medium and long-term to facilitate forecasted growth through the delivery of:
 - More direct transit routes
 - More frequent service
 - Extended evening and late-night services
 - Introduction of service on Sundays
 - Longer routes with new transfer points
 - Improved service coverage
 - Redistribution of OnDemand services
 - State-of-readiness for fleet electrification
 - Adoption of PRESTO fare system
 - Supportive marketing and communications
- High-level capital and operating costs have been estimated for the phased transit programs that have been recommended in the Five-Year Service Plan (excluding costs associated with a new transit facility). The annual net operating cost for transit is expected to increase by \$4.3 million (57%) during the 5-year period, and the required capital investment is projected to increase by \$41.7 million (96%) over a 9-year period.
- As a prerequisite to support future grant opportunities, this report is also seeking endorsement for the ZEB Feasibility Strategy (Appendix 2) as presented to Council at the April 15, 2024 meeting (COMS-003-24).

REPORT

Background

The Milton 2051 Vision includes the delivery of a safe, reliable and integrated transit system, providing a viable option for residents and visitors, as they navigate the community defined by smart density, placemaking, mobility and economic development. Service reviews and Master Plan updates provide guidance toward program improvements and service growth in alignment with the corporate vision.

¹ “Service Hour per Capita” is a performance indicator that measures the amount of transit service available to the serviceable population. The Five-Year Service Plan targets an investment strategy of one (1) service hour per capita as the goal to be achieved by 2041.

Background

The Town retained Arcadis IBI Group to undertake the Milton Transit Five-Year Service Plan and Master Plan Update (CORS-024-23). The Five-Year Service Plan provides a roadmap for the Milton Transit system to define service requirements and a framework for service planning and prioritization. The overarching objective is to achieve a balanced and sustainable transit network that manages Milton's current and forecasted growth in the 2025-2029 planning horizon, and beyond, while effectively contributing to the Town's Vision and strategic direction. The study builds on previous service plans to further develop short, medium and long term transit requirements. Council approved the scope of work via COMS-002-23.

Discussion

The Five-Year Service Plan provides a road map for the development of Milton Transit services that are effective, efficient and resilient. The plan is comprised of several components including:

- Vision for transit in Milton
- Investment strategy
- Transit network redesign and phasing plan
- Conceptual service plan in growth areas
- Supporting initiatives including: fleet electrification, fare policy and structure, marketing and communications
- Financial plan including asset requirements; capital and operating impacts

Essential to the success of the Five-Year Service Plan, public and stakeholder engagement throughout the planning and development stages helped shape final recommendations. The approach incorporated a number of consultation techniques to solicit feedback from residents and stakeholders, including:

- Project information page on Let's Talk Milton (throughout the project)
- Initial in-person engagement (June 22, 2023)
- Council workshop (June 26, 2023)
- Online surveys (June/July 2023; May 2024)
- Phase 1 and Phase 2 key stakeholder meetings including: business community and associates, educational and post-secondary institutions, Milton Accessibility Advisory Committee, government agencies, neighbouring transit service providers (August 2023; April/May 2024)

Discussion

The Project Steering committee, comprised of Town staff, met throughout the process, providing guidance, input and recommendations on key study deliverables.

Outcomes and Supporting Recommendations Summary

The Five-Year Service Plan provides a prioritized program of improvements to Milton Transit service and operations over the short, medium and long-term. The plan also establishes an Investment Strategy that targets **one (1) service hour per capita** as the goal to be achieved by 2041; the amount of transit service available to the serviceable population. This approach prioritizes a number of program improvements over the short, medium and long-term to facilitate forecasted growth through the delivery of:

- More direct transit routes
- More frequent service
- Extended evening and late-night services
- Introduction of service on Sundays
- Longer routes with new transfer points
- Improved service coverage
- Redistribution of OnDemand services
- State-of-readiness for fleet electrification
- Adoption of PRESTO fare system
- Supportive marketing and communications

The Five-Year Service Plan also includes recommendations that support the commitment towards Zero-Emissions Bus (ZEB) technology as outlined in COMS-003-24 (Appendix 2), maintaining a pragmatic, measured and adaptable approach that balances the transition with service reliability and sustainable funding programs. Future grant opportunities are likely subject to the completion of a ZEB Feasibility Strategy and subsequent endorsement from Council.

A key enabler for recommendations outlined in the Five-Year Service Plan is the development of the Transit Operations Facility, currently in progress. The plan highlights program requirements for consideration during facility planning, design and construction phasing. Furthermore, additional staffing for corporate support have been identified in the Five-Year Service Plan. Additional dedicated Transit Division staff will also be required and phased accordingly to support service implementations, contract and change management functions.



**Discussion
Summary**

Endorsement of the Five-Year Service Plan will help guide the improvement and expansion of the Milton Transit network and associated services through 2029. Phasing of the Plan will be updated annually based on performance monitoring and the annual budget approval process.

Financial Impact

The financial impacts are outlined in Appendix 1 and summarized in the tables below. It should be noted that the study excludes costs associated with the Transit facility, which will be further refined through the design stage of the facility.

Over the next nine years (2025-2033) the study suggests that an incremental capital investment of \$41.7 million will be required above and beyond the funding that had previously been included in the 2024 budget and forecast. This is largely the result of a shift in future bus purchases to a combination of diesel and battery electric, as outlined in the Zero-Emission Bus Feasibility Strategy and Fleet Transition Plan (COMS-003-24), along with adjustments made for route optimization and growth.

	Capital Plan Impact - 2025-2033		
	Per 2024 Budget & Forecast	Transit Master Plan	Variance
Replacement Buses	\$ 15,853,665	\$ 25,953,000	\$ 10,099,335
Growth Buses	24,129,487	46,146,000	22,016,513
Infrastructure & Other	3,288,883	12,837,000	9,548,117
Total	\$ 43,272,035	\$ 84,936,000	\$ 41,663,965

Capital funding requirements will be further assessed through the development of the annual budget but can be expected to include a combination of development charges, Town source and grant funding. An initial review of the current available funding within applicable reserve and reserve funds suggests that a substantial portion of this investment may require debenture financing. However, staff will continue to actively seek grant funding opportunities, as they arise, to offset the increased capital costs of electric buses.

The study identifies an incremental expected net increase in operating costs of \$4.3 million over the next five (5) years. For 2025 specifically, the expected new incremental costs of \$310,000 will result in additional pressure on the property tax rate of approximately 0.31%.



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The forecasted total pressure for 2025, as presented through the 2024 budget process, currently equals 12.36%.

	Operating Plan Impact					
	2024 Budget Adjusted*	2025	2026	2027	2028	2029
Ridership Forecast	1,095,000	1,295,000	1,787,000	1,880,000	2,090,000	2,271,000
Total Expenditure	\$ 12,044,000	\$ 13,980,000	\$ 15,890,000	\$ 17,903,000	\$ 20,183,000	\$ 21,679,000
Total Revenue	\$ (4,529,000)	\$ (6,155,000)	\$ (7,399,000)	\$ (7,963,000)	\$ (8,484,000)	\$ (9,870,000)
Net Impact	\$ 7,515,000	\$ 7,825,000	\$ 8,491,000	\$ 9,940,000	\$ 11,699,000	\$ 11,809,000
YOY Change		\$ 310,000	\$ 666,000	\$ 1,449,000	\$ 1,759,000	\$ 110,000

*Note: 2024 Budget has been adjusted to reflect the \$333.9K transfer to reserve for new buses that was deferred to 2025 through the 2024 budget as well as increased revenues due to higher than projected ridership. As the \$333.9K transfer to reserve was not included in the 2024 operating budget it represents an additional budget pressure in 2025 beyond the \$310,000 identified in the study.

Respectfully submitted,

Kristene Scott
Commissioner, Corporate Services

For questions, please contact: Tony D’Alessandro, MCIP, RPP Phone: Ext. 2548
Director, Transit Services

Attachments

- Appendix 1. Milton Transit Five-Year Service Plan and Master Plan Update
- Appendix 2. Zero-Emission Bus (ZEB) Feasibility Strategy and Fleet Transition Plan

Approved by CAO
Andrew M. Siltala
Chief Administrative Officer

Recognition of Traditional Lands

The Town of Milton resides on the Treaty Lands and Territory of the Mississaugas of the Credit First Nation. We also recognize the traditional territory of the Huron-Wendat and Haudenosaunee people. The Town of Milton shares this land and the responsibility for the water, food and resources. We stand as allies with the First Nations as stewards of these lands.