

**Transit Business Plan**  
**Sharman Notes for Council**  
**November 18, 2019**

Let me begin by making the following statements:

- a) The consulting report is the subject of my discontent in these notes, it is not personal towards any person or staff.
- b) My business background coupled with my consulting and professional accounting career lead me to hold reasonable expectations of consultants when it comes to them guiding investment decisions, especially using hard tax dollars, which must be performed with sincere concern for the public trust
- c) I fully support the concept of increasing the modal split in the City of Burlington and the Region of Halton

Let me begin by acknowledging that my analysis of the business plan, as already communicated to you by Tom Muir, is correctly reported. I will confirm and add to what has already been reported:

1. There was no assessment of the actual Burlington market, its operations, long term history or projected short, medium, and long-term rider demand.
2. There was no analysis or forecast of demographic and related ridership changes in coming years even though we already have a reasonable expectation of what is likely.
3. I will add a new point. Most people are bothered by the huge level of congestion on Burlington streets at peak hours. This is probably the most significant motivator of increasing modal split. A few considerations:
  - a. Peak hour traffic will only be reduced by the amount of automobile traffic that can be redirected to GO transit. However, since most of the peak hour traffic relates to people coming into the City from outside (70% according to Transportation staff) or travelling from outside and exiting through the City (30% according to Transportation staff) are most likely not well served by GO transit. Then the probability of those people continuing to use their cars is high. But we have no analysis.

- b. Given that the City is still growing, and new residential communities continue to grow to the north, west and south of Hamilton, the number of vehicles on Burlington roads will increase for the foreseeable future. But we have no analysis.
  - c. Since Burlington Transit essentially serves only the trips of those who travel within the boundaries of the City, increased service cannot be expected to have any material impact on ridership growth in terms of re-directed commuter trips.
- 4. Halton modal split numbers are theoretical. Our purpose should be to figure out in realistic terms if, how and when they can be accomplished.
- 5. Our consultant used Canadian Urban Transit Association standards to determine what that meant in terms of how many more buses, drivers, maintenance staff, overhead staff and facilities we will need to add to the budget in each year going forward. CUTA standards are aspirational goals that have been demonstrated to not actually represent any Burlington peer municipality (Jeff Casello, Waterloo University 2012). They are more representative of highly intensified big city circumstances, which we are not... not for a long time anyway.
- 6. When you look at the numbers in the tables provided, they are all premised on a 23% average ridership growth that is required to achieve theoretical modal split goals. For some reason it was assumed that growth will somehow occur in a way that is highly front end loaded with a 36.5% growth in year 1 of the plan, i.e. from 2,000,000 riders in 2019 to 2,730,000 in 2020, with no explanation of how.
- 7. The critical concern is not so much the report per se, but that that the 2020 budget for the City of Burlington includes funding to purchase 4 new buses and hire 8 new drivers. The report proposes that the City should do that in each of the following four years at a cost of millions of dollars each year.
- 8. The risk is that that the City is about to pour all sorts of real hard dollars into a plan that is completely devoid of any substantive assessment of ridership projections or a realism.
- 9. Keep in mind that a 1% increase in the City of Burlington budget equals a \$1.6m spending increase. Further, that transit revenue, presently, represents less than 25% of the transit operating cost. This is at a time when the City is built out and new sources of

property tax increases are drying up. Remember the 2019 budget use of reserves to keep tax rate increases low. This is not going to get any easier.

10. My concern is that costs will go up way more rapidly than ridership... so will taxes in a period of low tax growth, therefore increasing taxes by perhaps 10 to 15% in total just for extra transit spending over the next 5 years. What does that mean giving up?
11. We can agree that “more bus users” would be good, but we do not agree to getting there by any means or a hope and a prayer.

So, what should we do, you might ask? Well:

1. Hold off a year to see what happens in 2020 with the new grid network;
2. Hold off a year to see what happens when the new buses and drivers approved in the 2019 budget actually come on line in the next month;
3. Use 2020 to remedy the concerns I have advised you of above;
4. Use 2020 to plan acquisition of electric buses instead of traditional diesel fueled vehicles;
5. Use 2020 to plan a complete transition of Burlington Transit to a 100% electric service;
6. Use 2020 to plan the implementation of on-demand service to underserved neighbourhoods

I hereby move that we refer this to staff