

1. EXTENSION OF ECOPASS PROGRAM

PROLONGEMENT DU PROGRAMME ECOPASS

COMMISSION RECOMMENDATION

That City Council authorize OC Transpo to extend individual employer ECOPASS agreements for one year and that the ECOPASS fare remains at the 2011- 2012 level, plus a 2.5% general fare increase, which is \$84.56 per month for regular ECOPASS and \$104.55 per month for express ECOPASS, and that efforts be made to re-enroll those ECOPASS customers who have already cancelled if they request it.

RECOMMANDATION DU COMMISSION

Que le Conseil municipal autorise OC Transpo à prolonger d'un an les ententes conclues avec les employeurs participant au programme ECOPASS; de laisser le tarif du laissez-passer ECOPASS au même niveau qu'en 2011-2012, plus l'augmentation générale de 2,5 %, ce qui portera le montant à 84,56 \$ par mois pour un laissez-passer ECOPASS ordinaire et à 104,55 \$ par mois pour un laissez-passer ECOPASS express; et de demander que des efforts soient déployés pour réabonner sur demande les clients du programme ECOPASS qui ont déjà annulé leur laissez-passer.

DOCUMENTATION / DOCUMENTATION

1. Transit Commission' report dated 21 June 2012 (ACS2012-CMR-OTC-0010)
Rapport de la Commission du transport en commun, daté du 21 juin 2012 << ACS2012-CMR-OTC-0010>>

Report to/Rapport au :

Council / et au Conseil

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CITY WIDE / À L'ÉCHELLE DE LA VILLE

Ref N°: ACS2012-CMR-OTC-0010

SUBJECT: EXTENSION OF ECOPASS PROGRAM

OBJET : PROLONGEMENT DU PROGRAMME ECOPASS

REPORT RECOMMENDATION

That City Council authorize OC Transpo to extend individual employer ECOPASS agreements for one year and that the ECOPASS fare remains at the 2011- 2012 level, plus a 2.5% general fare increase, which is \$84.56 per month for regular ECOPASS and \$104.55 per month for express ECOPASS, and that efforts be made to re-enroll those ECOPASS customers who have already cancelled if they request it.

RECOMMANDATION DU RAPPORT

Que le Conseil municipal autorise OC Transpo à prolonger d'un an les ententes conclues avec les employeurs participant au programme ECOPASS; de laisser le tarif du laissez-passer ECOPASS au même niveau qu'en 2011-2012, plus l'augmentation générale de 2,5 %, ce qui portera le montant à 84,56 \$ par mois pour un laissez-passer ECOPASS ordinaire et à 104,55 \$ par mois pour un laissez-passer ECOPASS express; et de demander que des efforts soient déployés pour réabonner sur demande les clients du programme ECOPASS qui ont déjà annulé leur laissez-passer.

BACKGROUND

At its meeting on 20 June 2012 the Transit Commission received an update from Metrolinx on the implementation of the PRESTO card for OC Transpo. Significant issues were discovered during the pilot phase which resulted in a joint recommendation from Metrolinx and OC Transpo that the implementation be delayed to allow further testing and resolution of the problems. 1 February 2013 was suggested as the new target date for full implementation.

On 25 April 2012, City Council approved the 2012/13 OC Transpo fare schedule which was, in part, premised on the planned implementation date of 1 July 2012 for the PRESTO card. The fare schedule called for the ECOPASS Program to be eliminated during the fall of 2012.

Given the significant delay to the PRESTO implementation, Transit Commission Chair Deans suggested it is not in the best interest of ECOPASS holders or OC Transpo to cancel the ECOPASS program until Presto is fully in place. The Commission approved the following motion:

Whereas OC Transpo and its partner Metrolinx cannot provide the certainty of Presto convenience to ECOPASS users for the near future; and

Whereas it is not in the best interest of ECOPASS holders or OC Transpo to cancel the ECOPASS program until Presto is fully in place; and

Whereas agreements with these employers are near their term and employers of ECOPASS holders require certainty for plan administration;

Therefore be it resolved that the Transit Commission recommends that City Council authorize OC Transpo to extend individual employer ECOPASS agreements for one year and that the ECOPASS fare remains at the 2011- 2012 level, plus a 2.5% general fare increase, which is \$84.56 per month for regular ECOPASS and \$104.55 per month for express ECOPASS, and that efforts be made to re-enroll those ECOPASS customers who have already cancelled if they request it.

DISCUSSION

The rationale for the Transit Commission and Council decision in April 2012 to eliminate the ECOPASS program this coming fall was that the introduction of PRESTO would allow former ECOPASS holders to customize their travel experience while providing the convenience and flexibility to purchase as many months of transit service as they need. It was also based on the fact that OC Transpo is no longer able to sustain annual fares that are deeply discounted below operating costs.

The report in April recommended that the cost of an ECOPASS increase to the cost of an Adult Regular or Express monthly pass as of July 1, depending on customer choice. It was recommended that ECOPASS subscribers have the option to withdraw from the ECOPASS program by notifying their employer; they would be able to take advantage of paying less for their reduced transit needs during the summer by choosing to purchase 10 monthly passes and then using a pay-per-ride e-Purse to cover any remaining trips. It allowed that ECOPASS holders could continue with payroll deductions until the fall or have the option to transition to PRESTO when they chose. Each employer was to be provided with proper termination notices in accordance with the terms of each employer's respective ECOPASS contract.

With the implementation of PRESTO now delayed, seemingly until the early new year, OC Transpo and the Transit Commission felt it only fair to ECOPASS holders, loyal transit customers, to extend individual employer ECOPASS agreements for one year and to work with those who may have already cancelled and might now wish to be re-enrolled.

RURAL IMPLICATIONS

There are no rural implications associated with this recommendation.

CONSULTATION

Upon Council approval, OC Transpo will undertake the necessary communication with current and recently cancelled ECOPASS holders and employers.

LEGAL IMPLICATIONS

Legal staff will be present at the City Council meeting of 27 June 2012 to provide comment if required.

RISK MANAGEMENT IMPLICATIONS

No risk implications have been identified with the report recommendation.

FINANCIAL IMPLICATIONS

A financial analysis regarding the costs associated with the delay of the PRESTO card implementation is currently underway. The extension of the ECOPASS for a further year is one component of this analysis and will include: the net change in fare revenues as a result of the retaining the 12% discount; costs to be incurred by OC Transpo to

reinstate the ECOPASS program; and foregone cost savings as a result of OC Transpo having to continue administration of the program net of forecasted service fees payable to Presto (since employers will now continue to collect and remit fares directly to OC Transpo). OC Transpo is seeking recovery of all costs, including those associated with the ECOPASS extension, from Metrolinx due to the problems experienced to date and the delay in the PRESTO card implementation to February 1, 2013.

ACCESSIBILITY IMPACTS

No accessibility implications have been identified with the report recommendation.

TECHNOLOGY IMPLICATIONS

Staff will be available at the City Council meeting of 27 June 2012 if comment is required.

TERM OF COUNCIL PRIORITIES

The recommendations outlined in this report support Council's priority of offering reliable travel options at the lowest possible cost and in a financially and operationally sustainable way.

DISPOSITION

Upon Council approval of the report recommendation, OC Transpo staff will communicate the changes to affected customers of and will take the technical and logistical steps to implement them.