



**City of Kingston
Report to Council
Report Number 16-272**

To: Mayor and Members of Council
From: Jim Keech, President and CEO, Utilities Kingston
Resource Staff: Sheila Kidd, Director, Transportation Services
Date of Meeting: August 9, 2016
Subject: Universal Transit Pass Agreement – St. Lawrence College Student Association (Kingston Campus)

Executive Summary:

This report recommends the continuance of the long-standing relationship with the St. Lawrence College Student Association (SA) to provide universal access to Kingston Transit for post-secondary students.

The current agreement between the City of Kingston and the St. Lawrence College Student Association (Kingston Campus) expires on August 31, 2016. This report recommends entering into a new three-year agreement effective September 1, 2016.

The proposed agreement establishes a contract rate of \$154 per eligible student per academic year, resulting in an estimated contract value of \$727,650 in the first year of the contract. This represents a 17.5% increase in contract value compared to the final year of the current contract. The contract rate increases to \$157 per eligible student in Year 2 of the agreement and to \$160 per eligible student in Year 3 of the agreement.

Recommendation:

That Council authorize the Mayor and Clerk to enter into an agreement with the St. Lawrence College Student Association, in a form satisfactory to the Director of Legal Services, to provide a Universal Transit Pass Program for students for a period of three years (September 1, 2016 to August 31, 2019) at a contract rate of \$154 per eligible student per year (Year 1), \$157 per eligible student per year (Year 2) and, \$160 per eligible student per year (Year 3) in accordance with the terms and conditions outlined in Report 16-272.

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Authorizing Signatures:

ORIGINAL SIGNED BY PRESIDENT & CEO, UTILITIES KINGSTON

**Jim Keech, President & CEO,
Utilities Kingston**

ORIGINAL SIGNED BY CHIEF ADMINISTRATIVE OFFICER

Gerard Hunt, Chief Administrative Officer

Consultation with the following Members of the Corporate Management Team:

Lanie Hurdle, Commissioner, Community Services	Not required
Denis Leger, Commissioner, Corporate & Emergency Services	Not required
Desiree Kennedy, Chief Financial Officer & City Treasurer	Not required

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Options/Discussion:

Kingston Transit and the St. Lawrence College Student Association (SA) have partnered since 1995 to provide a student-fee based, Universal Transit Pass Program. The program provides eligible St. Lawrence College students with unlimited access to all of Kingston Transit's fixed-route service. Kingston Transit also has a Universal Pass Program in place with the Queen's University Student Association (Alma Mater Society).

The current agreement with the SA expires on August 31, 2018. The new agreement recommended in this report is for a three-year period from September 1, 2016 to August 31, 2019.

The following is a summary of the terms and conditions of the proposed three-year contract:

- Full-time and part-time students (enrolled in a minimum of three full academic courses) have unlimited, universal access to use Kingston Transit. This eligibility is consistent with the previous agreement.
- Eligible students must present a valid student photo ID card with a current validation sticker to the bus operator upon boarding. The SA is responsible for administering the distribution of photo ID cards and stickers.
- The agreement may be terminated by either the City or the SA on August 31 of each year by providing notice of termination no later than June 1 of the same year.
- A contract value of \$154 per eligible student in Year 1 of the contract (September 2016 to August 2017). The contract value increases to \$157 per eligible student in Year 2 (September 2017 – August 2018) and to \$160 per eligible student in Year 3 (September 2018 – August 2019).

The chart below summarizes the historical contract values, the projected contract values under the proposed agreement, and the percentage increase year-over-year since 2010/2011. The substantial increase in the base contract value of 17.5% in 2016/2017 (Year 1 proposed) compared to 2015/2016 (current agreement), results from a change in the structure of the agreement and an increase in the mandatory student fee assessed against each eligible St. Lawrence College student.

The financial terms in previous agreements were based on a negotiated contract rate not directly tied to student enrolment levels or the mandatory student fees collected by the SA. The financial terms of the proposed agreement are linked directly to enrolment and to the mandatory student fees paid by each student to the SA.

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Academic Year	Base Contract Value	% Increase (compared to previous year)
2010-2011	\$498,345	
2011-2012	\$525,945	5.5%
2012-2013	\$530,000	0.95%
2013-2014	\$559,000	5.5%
2014-2015	\$584,800	4.6%
2015-2016 (Current Agreement)	\$619,200	5.9%
2016-2107 (Year 1 proposed)	\$727,650	17.5%
2017-2018 (Year 2 proposed)	\$741,825	2.0%
2018-2019 (Year 3 proposed)	\$756,000	1.9%
Average % Increase/Year (2010/11 – 2018/19)		5.7%

Consideration is given to student enrollment levels, historical and projected ridership by St. Lawrence College students, and the cost of providing service balanced against student affordability in establishing the financial terms of the agreement. The target, over time and through future contracts, is to continue to negotiate increases to the base contract value to attain and maintain cost equity between post-secondary students and other users of the transit system.

Notice Provisions:

Not applicable.

Accessibility Considerations:

Not applicable.

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Financial Considerations:

The projected contract values will be included in future Kingston Transit operating budgets.

Contacts:

Jeremy DaCosta, Transit Manager, 613-546-4291 ext. 1310

Sheila Kidd, Director, Transportation Services, 613-546-4291 ext. 2221

Other City of Kingston Staff Consulted:

Not applicable.

Exhibits Attached:

Not applicable.