



# Gas Tax Funding Update

# Funding Programs

- **Province of Ontario**

- Ontario Transit Vehicle Program (OTVP)
- Dedicated Gas Tax Funds for Public Transportation Program (Transit)

- **Government of Canada**

- Transfer of Federal Gas Tax Revenues
- Transfer of Funds for Public Transit

# Province of Ontario OTVP

- Program funding covers one third of the capital cost of replacement buses
- Funding allocation request subject to annual review and approval
- Forecasted funding requirements for 2005-2009 total **\$36.3 million**

# Province of Ontario Gas Tax

- Program Purpose
  - To increase overall ridership through
    - enhanced levels of service
    - some capital infrastructure expansion
    - expansion of supporting programs
      - (ex. technological improvements, marketing)



# Province of Ontario Gas Tax

- Existing guidelines allow funds to be used for growth related operating and capital expenditures
- Funding **cannot** be used to support existing operations

# Province of Ontario Gas Tax

- Program funding based on
  - 1 cent/litre as of Oct./2004, increasing to
  - 1.5 cents/litre in Oct./05, and
  - 2 cents/litre in Oct./06
- Forecasted funding from 2005 to 2009 totals **\$63.4 million**



# Federal Government Gas Tax

- Purpose – for investment in environmentally sustainable infrastructure
- Eligible categories for Mississauga
  - No more than two out of:
    - Transit
    - Wastewater (storm water systems)
    - Community Energy Systems



# Federal Government Gas Tax

- Capital investments in public transit includes:
  - Transit Buses
  - Intelligent Transport Systems (ITS)
  - Transit Priority capital investments
  - HOV lanes
  - Rapid Transit
  - Road rehabilitation for bus-only lanes, bike lanes

# Federal Government Gas Tax

## Conditions

- No reduction in capital funding by municipality
- Five year commitment totalling **\$50 million**

# 5 Year Funding Summary

(in \$ millions)

Year	OTVP (1/3 replacement)	Provincial Gas Tax	Federal Gas Tax	Federal Transit Transfer (2 year)	Total
2005	\$8.6	\$8.3	\$6.0	\$6.0	\$28.9
2006	\$8.0	\$11.9	\$6.0	\$6.1	\$32.0
2007	\$8.2	\$14.4	\$8.0		\$30.6
2008	\$5.6	\$14.4	\$10.0		\$30.0
2009	\$5.9	\$14.4	\$20.0		\$40.3
<b>Total</b>	<b>\$36.3</b>	<b>\$63.4</b>	<b>\$50.0</b>	<b>\$12.1</b>	<b>\$161.8</b>
<b>Comments:</b>	Fully utilized	Fully utilized by 2011-2012 for operating costs for DC buses	Planning underway. Future report to Council - 2006	Planning underway. Future report to Council - 2006	



# Federal Gas Tax Update

- No additional program details since announcement in the spring
- First payment of \$6 million anticipated before year end

# Provincial Gas Tax Update

- Ridership Growth Plan
  - Consultant will be selected by mid-November
  - Phase 1 to be completed, approved by Council and submitted to MTO by March 31, 2006
- 2005/06 program guidelines
  - Effective October 1, not yet announced



# Gas Tax Funding Principles

- Maintain existing municipal funding baseline for Transit
  - Provincial and Federal Gas Tax requirement
- Allocate Provincial and Federal funding to
  - Maintain fleet in a state of good repair
  - Address traffic congestion
  - Support transit service expansion and ridership growth
  - Develop major transit corridors



# Gas Tax Funding

Existing Priorities—included in capital plan

## Maintain fleet in a state of good repair

- Transit maintenance facility expansion
- Asset management strategy

## Address traffic congestion

- Transit priority measures
- Additional buses



# Gas Tax Funding

Existing Priorities—included in capital plan

## Support transit service expansion and ridership growth

- Ridership growth strategy
- Additional buses
- GTA farecard implementation



# Gas Tax Funding

## Existing Priorities—included in capital plan

Project Description	2006	2007	2008-2013	Total
	Funding	Funding	Funding	
Replace (35) 1997 - 60' LF buses		6,439,000	0	6,439,000
Replace (10) 2001 - 60' LF buses			1,960,000	1,960,000
Ridership Growth Plan Phase II	100,000		0	100,000
<b>Provincial Gas Tax - Total</b>	<b>100,000</b>	<b>6,439,000</b>	<b>1,960,000</b>	<b>8,499,000</b>
Replace (12) 1997 - 26' LF Orion II	2,640,000		0	2,640,000
(7) 40' buses for Growth Strategy			2,940,000	2,940,000
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CPKY Facility Design	1,500,000		0	1,500,000
CPKY Facility Ph 1 Construction		18,600,000	0	18,600,000
CPKY Facility Ph 2 Construction			15,300,000	15,300,000
CPKY Facility Ph 3 Construction			2,150,000	2,150,000
Transit Hurontario Corridor Study	100,000		0	100,000
<b>Federal Gas Tax - Total</b>	<b>4,240,000</b>	<b>18,600,000</b>	<b>35,090,000</b>	<b>57,930,000</b>



# Transit Capital Funding Additional Priorities – Not Yet In Capital Plan (Potential Gas Tax Projects)

- Hurontario major transit corridor development
- Burnhamthorpe on-street terminal
- Queue jump lanes /signal pre-emption
- Kipling bus terminal
- Hybrid vehicles
  
- Cost estimates - \$??? – more study required



# Transit Capital Funding Additional Priorities – Not Yet In Capital Plan (Potential Gas Tax Projects)

- Available City gas tax funding
  - \$10-15 million (2005-2009)
- **Potential funding source**
  - **Region of Peel's federal gas tax revenues**
    - \$50? million (2005-2009) less TransHelp adjustment



# Gas Tax Funding Next Steps

- Complete *Ridership Growth and Asset Management Plan*
- Complete *Hurontario Corridor Study*
- Complete *Facility Expansion Study*
- Complete *Burnhamthorpe and City Centre review*
- Report to and approval by Council



# Mississauga Transit

## 2006 Capital Budget Highlights



## 2006 Highlights

- **Bus Acquisitions**
  - \$31.3 million (gross)
  - 57 replacement buses (\$27.9 million)
  - 8 DC funded buses (\$3.4 million)
- **Transit Maintenance Facility Expansion**
  - \$1.5 million for detailed design
- **Transit Ridership Growth Plan – Phase II**
- **Hurontario corridor study**

# Modified Bus Replacement Plan

2006	2007	2008	2009	2010
25				
20	← ●			
		16		
		24		
			● →	10
				3
				9
12	← ●	●		
	35	← ●		
			42	
57	35	40	42	22
<b>\$27,900</b>	<b>\$24,675</b>	<b>\$16,800</b>	<b>\$17,640</b>	<b>\$9,240</b>



# Business Case for Transit Facility Expansion

- Scope of Investigation
  - Inventory of present facilities
  - Assessment of adequacy
  - Forecast of future program requirements
  - Facility expansion strategies/options
  - Evaluation of options
  - Detailing of selected option



# Transit Facility Expansion Preliminary Capital Plan (\$millions)

## Design

- 2006 \$1.5

## Construction

- 2007 New maintenance area \$18.6
- 2008 New vehicle servicing/storage \$15.3
- 2009 Retrofit existing maintenance area \$2.2

**Total \$37.6\***

\*Note: Decommissioning costs not included

# Transit Facility Expansion Other Factors

- GO Transit's Streetsville facility
  - Temporary lease to facilitate phasing of proposed transit facility expansion?





Questions?