



**Subject:** T:GO Inter-Community Voyago Contract Extension  
**Report Number:** OPD 23-16  
 Department: Operations and Development Department  
 Submitted by: Ashley Taylor, Transit Coordinator/GIS Technician  
 Meeting Type: Council Meeting  
 Meeting Date: Tuesday, April 11, 2023

**RECOMMENDATION**

THAT report OPD 23-16 T:GO Inter-Community Voyago Contract Extension be received; and

THAT the CAO and Director of Operations & Development be authorized to execute a contract extension with 94765 Ontario Ltd - Voyago for the T:GO Inter-Community Service for a period of two (2) years ending on March 31, 2025 as per the new/updated pricing.

**BACKGROUND**

On August 4<sup>th</sup>, 2020 The Town of Tillsonburg’s T:GO Inter-Community bus services started operation. The T:GO Inter-Community service is mostly (and historically) funded through the Provincial Community Transportation Grant Program and consists of four (4) routes servicing Tillsonburg, Ingersoll, Woodstock, Port Burwell and London. This grant originally expired on March 31, 2023; since then, and in consideration to the pandemic, the grant program has been extended for two (2) additional years, ending on March 31, 2025 with Tillsonburg receiving an additional \$743,510.48 over this period.

For Council’s consideration Inter-Community ridership reflects the following:

<b>T:GO’s Inter-Community Ridership</b>			
<b>Year</b>	<b>2020 (Aug – Dec)</b>	<b>2021</b>	<b>2022</b>
<b>Ridership</b>	766	1835	1652

**DISCUSSION**

Voyago is the contracted service provider for both T:GO’s In-Town and Inter-Community services. The contract with Voyago for the Inter-Community service ends on March 31, 2023. Although, there was optional renewal pricing built into the initial contract with Voyago (i.e. a pre-determined estimate), the projected service hours associated with the optional renewal years are much higher than the current service hours utilized to run the Inter-Community service.

As such, the initial phases of the Inter-Community program and its ridership, hours of operation and pricing were estimated at the following:

**OLD PRICING:**

<b>T:GO Inter-Community Service</b>			
<u>Description:</u> Provide all necessary vehicles, labour and equipment to provide the inter-community service in accordance with the specifications included in <b>Appendix A</b>			
Term	Estimated Revenue Hours	Revenue Service Hourly Rate (\$)	Total (\$)
January to March 31, 2020	1,250	NA	0
April 1, 2020 to March 31, 2021	4,950	77.93	385,753.50
April 1, 2021 to March 31, 2022	5,236	79.98	418,775.28
April 1, 2022 to March 31, 2023	6,200	81.88	507,656.00
Optional Renewal: April 1, 2023 to March 31, 2024	6,200	83.92	520,304.00
Optional Renewal: April 1, 2024 to March 31, 2025	6,200	86.02	533,324.00
Optional Renewal: April 1, 2025 to March 31, 2026	6,200	88.17	546,654.00
Subtotal for Terms between January 2020 and March 31 2023			1,312,184.78
			HST 170,584.02
			<b>Total 1,482,768.00</b>

**2023/2024 (and 2025) NEW PRICING:**

<b>T:GO Inter-Community Service</b>			
<u>Description:</u> Provide all necessary vehicles, labour and equipment to provide the Inter-Community service in accordance with specifications included in Appendix A			
Term	Estimated Revenue Hours	Revenue Service Hourly Rate (\$)	Total (\$)
April 1, 2023 to March, 31 2024	4600	89.50	411,700.00
April 1, 2024 to March, 31 2025	4600	89.50	411,700.00
Subtotal for Terms between April 1, 2023 and March 31, 2025			823,400.00
			HST 107,042.00
			<b>Total 930,442.00</b>

Voyago and staff have discussed new costs to continue running Inter-Community system at the same/current service levels (as seen in the above chart). Additionally, an extension is not needed for the In-Town service as the contract with Voyago expires in 2025.

**CONSULTATION**

Staff consulted with Voyago regarding updated pricing for the Inter-Community service extension years.

In 2022/23 staff consulted with the Interim Director of Finance/Treasurer to budget the Town’s Inter-Community services to reflect the proposed 2023/2024 rates.

Additionally staff has most recently been in contact with our local Transit Consultant, IBI Group, in meeting provincial funding reporting obligations.

**FINANCIAL IMPACT/FUNDING SOURCE**

There is no impact to the 2023 budget. Staff have used the updated hourly pricing provided by Voyago in the 2023’s approved budget. The Inter-Community transit is mostly funded through the Community Transportation Grant Program.

As a special note, if ridership trends continue to decrease or stay the same staff may have to reduce service levels to meet funding shortfalls. Should this happen, staff will present future program changes to Council for their consideration.

**CORPORATE GOALS**

How does this report support the corporate goals identified in the Community Strategic Plan?

- Lifestyle and amenities
- Customer service, communication and engagement
- Business attraction, retention and expansion
- Community growth
- Connectivity and transportation
- Not Applicable

Does this report relate to a specific strategic direction or project identified in the Community Strategic Plan? Please indicate section number and/or any priority projects identified in the plan.

**Goal** – Tillsonburg residents and businesses will be connected to each other, regional networks, and the world through effective traditional and digital infrastructure.

**Strategic Direction** – Provide alternatives to automobile travel through active transportation and public transit.

**Priority Project** – *Ongoing* - Town participation in regional transit initiative; *Short Term* - Transportation Master Plan.

**ATTACHMENTS**

Appendix A – Schedule K