



## **COUNCIL – AGENDA REPORT**

**Meeting Date:** 6 May 2025  
**Subject:** Local and On-Demand Transit Updates  
**Directorate:** Strategic Growth and Investment

---

### **Issue:**

Council is being provided with an update on Local and On-Demand transit service as well as the transit fleet with the objective of implementing trip planning technology to improve fixed route ridership.

### **Policy / Council Direction:**

**AirdrieONE Sustainability Plan:** Sustainable transportation is defined as an integrated, efficient and affordable transportation system that provides a range of mobility options for people of all ages and abilities.

**Transportation Master Plan:** The Transportation Master Plan identifies a need to increase modal-split from single vehicle trips to alternative modes such as public transit to ensure a sustainable and functional transportation network.

**Social Policy:** Transit has strong connections to the four social well-being principles as outlined within Council's endorsed Social Policy. This includes diversity and inclusion (public transit embodies this principle as a service for all residents throughout the region), connectedness (public transit provides a means of mobility to access employment, education, recreation and culture throughout the region), equitable access to quality services.

### **Background:**

Council expressed concerns about the use and cost of the On-Demand service (Hello-to-Go) and the spare fleet ratio during the 2025 Operational Budget debates. Council also inquired about the potential for use of the On-Demand fleet as a cheaper alternative for non-peak, local fixed route service.

Administration is providing background information on those matters below and will speak to the current situation during the presentation – as well as some potential solutions.

## **1) Local and On-Demand Services**

The 2016 Transit Master Plan recommended On-Demand transit service in select Airdrie neighborhoods allowing the local fixed route services to be more direct and connect to key destinations. On-Demand transit was recommended for residents located beyond 400m of a local fixed route service, primarily newer neighborhoods. The intention was that On-demand could connect residents located in low transit demand areas to the fixed route service stops.

In September 2017, the City launched its first on-demand transit program, employing a contracted taxi service to connect the customer from the demand point to the closest local fixed route service stop. The program was suspended in October 2019 due to a lack of technology partners and escalating costs from the contracted service provider.

In March 2022, Council endorsed recommendations to the underperforming local route service to an On-Demand transit model, specifically that Airdrie replace non-peak fixed route services with an On-Demand service.

In July 2022, the City launched Hello-to-Go, providing residents with On-Demand transportation. The service was combined with Access Airdrie (the City's Paratransit service) and offered to all residents within the community to access any location within Airdrie. Curb-to-curb service was provided for all transit riders.

In December 2022, Council endorsed a transition from a curb-to-curb model to a stop-to-stop model for the public Hello-to-Go customers. The curb-to-curb criteria was retained for paratransit customers. This change reduced on-board travel time for customers while allowing for additional ridesharing. The service continued to be offered to all residents within the community to access any bus stop location within Airdrie.

### *Current Situation*

Presently, Hello-to-Go service is oversubscribed, with an average 206 passenger trips per weekday and five customers per vehicle hour. The on-demand ridership has grown by 21% from 2023 to 2024. However, the high demand prevents 66% of users from booking their requested trips.

### *Short-Term Improvement*

Administration is researching options to balance the system. An analysis of the Hello-to-Go program determined that an average of 24% of Hello-to-Go users could use fixed routes to access their destinations but are choosing On-Demand service.

Administration could implement specific trip planning technology within the Hello-to-Go app that would guide users to fixed routes when available, potentially increasing fixed route ridership by 250-300 trips weekly. The technological change required could be completed as early as September 2025, even without direction from the Transit Master Plan.

### *Long-Term Improvement*

A new Transit Master Plan will be developed this year with a targeted completion of Q1 2026. The consultant will review and determine the best way to leverage both systems in a way that will balance fiscal responsibility with customer needs.

### *Customer Experience*

To minimize impact, changes to the technology should coincide with the increased service hours for local routes in September 2025. With improved availability and frequency of local routes, the transition from On-Demand services would be better supported by customers. Administration would collaborate with affected customers, particularly those requiring service transfers, to ensure a smooth transition.

### *Considerations*

Implementing this technological change will greatly enhance transportation support for those in greatest need. The On-Demand service is intended to assist residents in newer neighborhoods without access to fixed route services, as well as Paratransit customers with immediate service needs that can only be met by the Hello-to-Go service.

Additionally, this technology improvement will enable passengers to plan trips across On-Demand, Local, and Regional services, offering step-by-step navigation, service alerts, and real-time bus tracking.

## **2) Transit Fleet**

Council has expressed concern that the current operational fleet size exceeds actual demand, resulting in unnecessary expenses. Details below provide information on current fleet levels along with the operational costs associated with them.

### *Current Fleet*

Transit currently operates 15 Heavy Duty diesel buses and 11 Light Duty gas vans. At peak service hours, Airdrie requires 10 Heavy Duty buses and 5 Light Duty vans. To date, all transit fleet vehicles have been purchased with grant funds. Previous terms of Council have made the conscious choice to purchase additional vehicles at the times of grant availability so as to mitigate future costs and prevent increased financial burdens on the municipality when such funds are no longer accessible.

### *Heavy Duty Vehicles*

Approximately 50% of the heavy-duty fleet is aging to the point of needing frequent repair. The aging portion of the fleet is often out of service due to frequent maintenance needs, including unexpected repairs and part replacements. These vehicles must pass commercial vehicle inspections, which can be delayed due to part availability, further limiting the supply of available vehicles for the Transit department. Administration works closely with the service provider to ensure that repairs align as best as possible with transit service schedules. Close coordination with the service provider and the size of the spare pool have prevented any drop in service level at any time. However, winter can be exceptionally challenging with road conditions and temperatures contributing to additional unexpected repairs.

Notwithstanding the 50% spare ratio for heavy-duty fleet, Administration does not recommend any changes to the fleet size. Local service hours are increasing in September 2025, which will increase the peak fleet demand to 12 vehicles and reduce the spare fleet to three vehicles (25% of peak demand) to support all Local and Regional routes. A spare ratio of 25% is within the normal range and relatively low to comparable communities that provided combined local and regional services. The growth of the city and the continued aging of the fleet will create a set of limited capital budget requests over the next five years to maintain an appropriate fleet.

### *Light Duty Vehicles*

The light duty fleet is presently operated with a spare ratio over 100% and there are opportunities to utilize some of the spare vehicles.

For the past nine months, Administration has been using the light duty vehicles to support local transit routes during peak times. This reduces costs<sup>1</sup> and allows the heavy-duty fleet to have more available repair hours without impacting service. However, these vehicles are starting to reach full capacity, resulting in customers being turned away periodically. Fluctuating ridership levels makes it challenging to match fleet size with demand.

The new Transit Master Plan will provide details on service opportunities to make use of these spare vehicles. Ideas that may be explored include travel to Flames Games, the Calgary Stampede, Seniors services, Medical Trip services and University services.

### *Considerations*

Maintaining a larger transit fleet spare ratio is beneficial as it ensures consistent service delivery and enhances the transit system's reputation. Airdrie has done well to purchase vehicles when grant funds were available to establish a larger than required fleet that would provide service now and in the future with more capacity for maintenance than might otherwise be expected for a city and a service of our size.

## **Council Committee Routed Through:**

N/A

## **Administration Recommendation:**

That Council directs Administration to implement technology changes to integrate the Multimodal Trip Planning option in the passenger app.

## **Alternatives/Implications:**

### **Alternative #1: Council could choose to accept this report for information**

The implications of Alternative #1 is that On-Demand services will continue to be oversubscribed.

---

<sup>1</sup> The direct revenue hour costs to operate the fleet, inclusive of fully burdened contracted personnel costs (operators), maintenance, fuel, parts, external maintenance services, insurance, and technologies, based on 2024 data, are \$127.75 per hour for Heavy-Duty vehicles and \$83.45 for Light Duty vehicles.

**Budget Implications:**

Implementing the technology changes for the Hello-to-Go program will cost an estimated \$22,950 annually to integrate the Multimodal Trip Planning option in the passenger app. This will allow Administration to manage a variety of transit options, such as removing On-Demand availability.

The technology change is expected to shift 250 passenger trips weekly from the On-Demand to the Fixed route services, with Hello-to-Go filling back-up with 250 new trips, potentially generating \$37,700 annually in revenue from cash fares.

**Communications and Engagement:**

A full communications plan will be developed in collaboration with Corporate Communications to provide an awareness campaign for all service changes.

**Recommendation:**

That Council directs Administration to implement technology changes to integrate the Multimodal Trip Planning option in the passenger app, as presented.

---

Billie-Jo Arnott  
Team Leader, Transit and Active Transportation

Staff Presenter:	Billie-Jo Arnott
External Presenter:	N/A
Department:	Transit and Active Transportation
Reviewed by:	Stephen Utz, Director of Strategic Growth & Investment
Attachments:	N/A