

TRANSIT UPDATE

Issue

The implementation of a fixed-route transit service which will complement the on-demand transit service and address public concerns is provided for Council approval.

Motion Proposed by Administration

That the proposed fixed-route transit service be endorsed as presented for implementation by September 1, 2025, and the required amendments to the Fees, Rates, and Charges Bylaw be brought forward prior to June 30, 2025.

That Transit Services and Service Level Inventory updates attached in Council Policy GP-E-2.1 Program and Service Review: Appendix A be updated as presented.

Report, Analysis and Financial Implications

The existing on-demand service is oversubscribed impacting availability, reliability, and customer satisfaction. Administration is presenting a proposed fixed route complementing the existing the on-demand transit service. Together, this hybrid transit model will improve service reliability and availability. This improved service will operate within the existing budget.

The Okotoks on-demand transit system has proven to be an overwhelming success since its introduction in 2019, far surpassing initial expectations. At launch, as per the Okotoks Municipal Development Plan (D.2.3.2), a target of 18,000 rides was set for the first year and was exceeded with 27,402 rides. The 2026 target of 45,000 rides was reached by the second year (2021) and in 2023, ridership grew to 76,937, nearly double the initial projection. However, a slight decrease to 68,000 rides in 2024 suggests potential service gaps, particularly in reliability and availability.

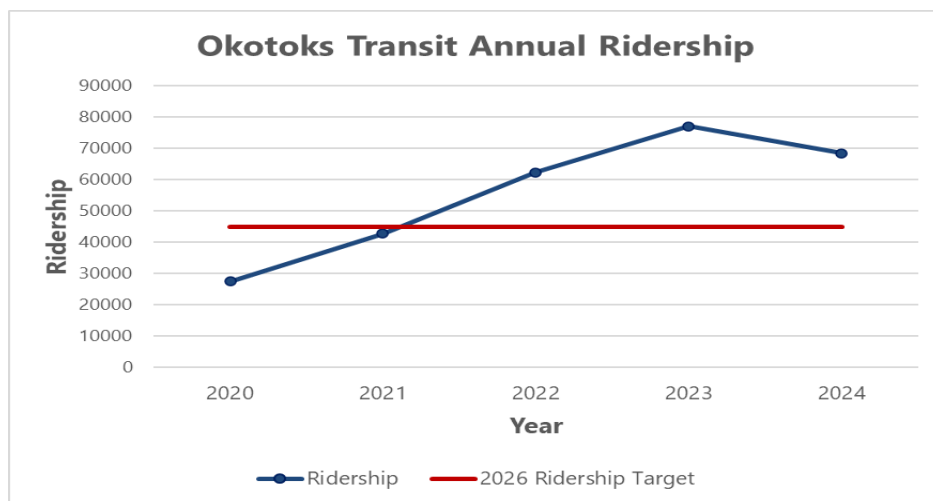


Figure 1. Okotoks Transit annual ridership (2020 - 2024) with a trendline indicating the 2026 ridership target.

The on-demand service faces limitations during peak weekday hours, (7:00 a.m. to 6:00 p.m.), when demand is highest. This results in limited trip availability, extended wait times, and unserved trip requests unless booked well in advance. While the on-demand service offers coverage, flexibility, and convenience, these capacity constraints have raised public concerns about reliability and availability during critical travel periods. Customers have expressed frustration over the difficulty of securing desired trips during peak hours, highlighting the need for a more predictable and efficient solution.

A fixed-route service is proposed to address customers' challenges and plan for future ridership growth. This includes transitioning from an exclusively on-demand model to a hybrid model using evidence-based data to establish a fixed route. A hybrid transit model combines on-demand services with fixed routes to provide customers with greater flexibility and transit options based on their needs and location. The proposed routes were informed by on-demand trip data to design a route that captures the highest origin and destinations over a multi-year period.

The Okotoks Municipal Development Plan (2.4.1.c.IV) indicates that a fixed-route transit service is important in the creation and success of neighbourhood hubs. This transition supports responsibly managed growth by enabling denser developments with reduced parking, strengthens the local economy by attracting and retaining businesses, and enhances community health by ensuring equitable access to services for all residents, particularly those without access to a personal vehicle.

Fixed Route Details

The implementation of the fixed-route service will not require any additional assets or service hours. The proposed route will operate in a figure-eight layout to streamline trips without requiring bus transfers, with two (2) vehicles running in opposite directions. Stops will be approximately 300m to 500m apart, with a 60-minute frequency. The proposed fixed route will initially operate on weekdays from 7:00 a.m. to 6:00 p.m., aligning with peak hours identified in a feasibility study conducted by Leading Mobility. These hours reflect the highest demand for transit services and were further confirmed through public engagement feedback. The hybrid model aims to alleviate pressure on the on-demand service by offering reliable, predictable scheduled service without requiring advance booking. This approach ensures greater accessibility and efficiency for users during the busiest times of the day.

The introduction of the proposed fixed route is anticipated to increase transit ridership while improving customer satisfaction, both desired outcomes in the five-year transit outcomes plan. Maintaining the on-demand service ensures flexibility for residents requiring curb-to-curb transportation or traveling outside fixed-route boundaries and hours.

Community Engagement Strategy

The Town is committed to meaningful community engagement, as outlined in the Community Engagement Policy, ensuring residents and businesses have a voice in decisions that affect them. To support the transition to a fixed-route transit service, Administration launched a comprehensive public engagement strategy guided by the International Association of Public

Participation (IAP2) framework. This strategy adopted a Consult approach, gathering input on service hours, route design, and stop locations.

Engagement activities ran from February 6 to 28 and included three (3) in-person pop-up events at the Recreation Centre and Food Bank, a dedicated workshop with the Seniors Club, and an online survey on the Shape Our Town website. In total, 809 online responses and 132 in-person participants provided input, representing both current transit customers and non-customers.

Public engagement, combined with ridership data from the Leading Mobility feasibility study, directly informed the proposed fixed route. The feasibility study provided critical data on travel patterns, peak demand periods, and potential ridership, allowing Administration to align community feedback with operational realities and resource constraints.

Key Findings from What We Learned Report (WWLR):

- Priority destinations for stop locations included Downtown (Elizabeth Street/McRae Street), Westmount/Cornerstone commercial areas, the Recreation Centre, and Southbank Business Park.
- Frequent requests were made for stops near the D'Arcy commercial zone, improved access to the Recreation Centre, and expanded service into Drake Landing, Ranchers Rise, and Air Ranch.
- 56% of respondents expressed interest in evening service hours (6:00 p.m. to 9:00 p.m.).
- 82% indicated that stops close to their workplace would increase their likelihood of using the service.
- 64% highlighted the importance of real-time tracking and schedule alignment for reliability.

Immediate Adjustments:

Based on public feedback, Administration recommends two (2) immediate changes to the proposed fixed route:

- Inclusion of the D'Arcy commercial area to enhance accessibility for residents and businesses in this growing community.
- Relocation of a Milligan Drive stop closer to the Okotoks Recreation Centre to improve access.

For the initial rollout, service hours are recommended from 7:00 a.m. to 6:00 p.m. This approach prioritizes responsible resource use while enabling accurate ridership data collection during core hours. The phased strategy ensures that future extensions, such as evening service, are sustainable and respond to demonstrated demand.

Phased Implementation:

Requests for expanded service into Drake Landing, Ranchers Rise, Air Ranch, and for evening hours, were carefully considered. However, the Leading Mobility feasibility study indicates that

initial demand in these areas and time periods does not yet justify immediate expansion. A phased approach will allow the Town to:

- Maintain a high standard of reliability and on-time performance during rollout.
- Allocate resources efficiently and respond to ridership growth as it occurs.
- Minimize operational risks while building a foundation for future service enhancements.

To support the fixed route, existing service hours from the on-demand transit service will be reallocated. Two (2) on-demand transit vehicles, previously serving up to eight (8) customers per revenue hour combined, will be reassigned to operate on the fixed-route. This shift is expected to significantly improve operational efficiency, as fixed-route vehicles are projected to serve two (2) to three (3) times more passengers per revenue hour. By focusing resources on high-demand corridors, the Town can maximize ridership, enhance cost-effectiveness, and increase the overall benefit of transit investments to the community. Residents in areas not initially included in the fixed route, or seeking service outside core hours, will continue to have access to the existing on-demand transit service.

Communications Plan:

As part of the implementation plan for the proposed fixed-route service, Administration will collaborate closely with the Community Engagement Team to develop a comprehensive communications plan that will incorporate both awareness and educational tactics. This strategy will include in-person informational sessions to help residents understand the new service and its benefits. Key information will be disseminated through appropriate channels to allow for timely and widespread outreach. Community Engagement efforts will continue post-launch to support a smooth transition and address any emerging community questions. This proactive approach is designed to build public confidence and encourage early adoption of the fixed-route service.

Future Recommendations:

Feedback from this engagement process will directly inform future service enhancements for Okotoks Transit. As ridership patterns develop, Administration will reassess both service hours and route coverage, with a comprehensive review planned for Q2 2026. Future phases may include expanding service coverage, right-sizing the fleet, and introducing additional stop infrastructure to further improve accessibility and the overall user experience.

Administration remains committed to ongoing engagement and continuous improvement, ensuring that the fixed-route service evolves to meet the changing needs of the community and supports long-term urban mobility goals. Earlier start times or later finish hours will be considered if ridership during current service hours consistently exceeds the threshold of eight (8) passengers per vehicle hour (PVH) over three (3) consecutive months consistent with the service optimization and modifications thresholds in the Transit outcomes plan.

Service reductions, restructuring, and replacement of fixed-route with on-demand service, or discontinuation will be considered when the minimum passenger PVH threshold is not being achieved over three (3) consecutive months. It is recommended that new services, such as the

proposed fixed-route service, be provided a twelve-month service review period which is a common industry practice. This accommodates potential changes in travel patterns, data collection across multiple periods of demand, and opportunities for continued community engagement.

Capital Investments

In 2025, the immediate priority will be the installation of on-street bus stop signage, with costs estimated at under \$15,000 and accommodated within the existing transit budget. This investment will enhance route visibility and accessibility, laying the groundwork for improved customer experience based on ridership at specific stop locations.

New Customer Fare Option

Administration proposes the introduction of a monthly transit pass for the fixed route and on-demand services (Table 1). Increasing fare options will provide more affordable choices for frequent users and streamline access for fixed routes through a convenient flash pass system. Separate fare options for youth and seniors are included to better support key demographic groups.

To support the introduction of a new monthly transit pass, Administration reviewed fare structures from comparable municipal transit systems and examined internal monthly pass rates at the Okotoks Recreation Centre. This comparison helps ensure the proposed pricing is competitive, equitable, and aligned with broader affordability goals in the community. The proposed pass pricing is also based on a frequent user benchmark of 18 one-way trips per month, equivalent to approximately two (2) round trips per week. A flat-rate structure is intended to incentivize public transit as a model of choice through convenience, reliability and affordability.

Municipality/Facility	Adult Monthly Pass	Youth/Senior Monthly Pass	One-Way Fare	18 One-Way Trips (Cost)
Proposed Okotoks Transit Fare Pricing	\$55	\$35	\$3.50	\$63.00
Okotoks Recreation Centre	\$63.25	\$51.50	N/A	N/A
Leduc Transit	\$55	\$55	\$2.00	\$45.00
Cochrane (COLT)	\$50	\$25.00 (Youth) / \$30.00 (Senior)	\$2.50	\$54.00

Table 1. Comparison of monthly transit pass costs with similar transit systems in Alberta and Okotoks Recreation Centre monthly rates.

The required amendments to the Fees, Rates, and Charges Bylaw will be brought to Council prior to June 30, 2025.

Strategic Plan Goals

<input checked="" type="checkbox"/>	Responsibly Managed Growth	<input checked="" type="checkbox"/>	Demonstrated Environmental Leadership
<input checked="" type="checkbox"/>	Strong Local Economy	<input checked="" type="checkbox"/>	Enhanced Culture & Community Health
<input type="checkbox"/>	Organizational Excellence		

Equity/Diversity/Inclusivity Impacts and Strategy

Transit options are essential to ensuring all residents, regardless of economic status or mobility challenges, can access healthcare, education, and employment opportunities. Okotoks Transit plays a key role in reducing mobility barriers that contribute to social and economic inequities. The Social Needs Assessment further highlighted this, listing transportation as a top five (5) social priorities under accessibility and inclusive services. Furthermore, feedback highlights that access to essential services, such as transportation, is vital for residents, particularly seniors and individuals without private vehicles. Many rely on public transit to maintain independence and community connections, yet current transit options can be unreliable.

The proposed fixed-route service will improve community access to programs, services, key destinations, and events. This will strengthen community connections and promote inclusivity, fostering a stronger sense of belonging for all Okotoks residents.

A future desired outcome is the integration of the public transit program with in-town and wheelchair accessible trips for the Community Access Program (CAP). This is a first step towards this outcome, ensuring future services can support customer demand while maintaining service reliability and availability. Additionally, the introduction of a low-income transit pass program will be explored as part of ongoing efforts to enhance accessibility and affordability.

Environmental Impacts

The Resilient Okotoks Climate Action Plan 2021 - 2033 outlines the Town's target of achieving carbon neutrality by 2050, with a key goal of improving access to regional and local transit to increase trips made by transit or active transportation. Promoting the use and availability of alternative transportation can decrease car dependency, increase shared rides, and play a role in reducing greenhouse gas (GHG) emissions. The introduction of fixed routes is expected to increase transit usage, thereby reducing GHG emissions, and enhancing efficiency.

Governing Policies/Bylaws/Legislation or Agreements

Municipal Development Plan
Climate Action Plan
Environmental Action Plan
Social Needs Assessment

Alternatives for Consideration

1. That Council endorse the proposed fixed-route service for implementation by September 1, 2025.
2. That Council endorse the proposed fixed route, including extended evening service hours until 9:00 p.m., for implementation by September 1, 2025. The projected net cost of the extended evening service hours is estimated at \$120,000 annually.
3. That Council directs Administration to provide additional information or route alternatives for consideration.
4. That Council accepts this report for information and maintains the existing on-demand transit service.

CAO Comments

The initial launch of Okotoks Transit highlight that the 'need' Administration had been hearing about was real and that there was a genuine requirement for transit in the community. Although the first years were very successful the declining ridership shows that the popularity of the system could no longer meet the needs and adjustments to the system are required. The launch of the hybrid system will meet the needs for certainty and access... knowing where a bus will be and at what time. This should result in the reduction of need for the on demand, so it can focus energy on those who have needs that can not be met with the peak hour fixed route. Data will be collected to drive future enhancements to the system so we can refine the hybrid delivery model to continue to meet the needs of the community.

Attachment(s)

1. Proposed Fixed-Route Map
2. Transit Fixed-Route What We Learned Report
3. Program and Service Review Policy GP-E-2.1 Appendix A – Transit Services and Service Level Inventory - Redlined Version
4. Draft Program and Service Review Policy GP-E-2.1 with Appendix A – Transit Services and Service Level Inventory

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