



**Universal Bus Pass**  
**At the**  
**University of Waterloo**

**Report Prepared by Renjie Butalid**  
**Vice President Administration & Finance**  
**Federation of Students**  
**University of Waterloo**  
**March 2007**

## Table of Contents

<b>1.0 Introduction.....</b>	<b>3</b>
<b>2.0 Universal Bus Pass Options .....</b>	<b>3</b>
<b>3.0 Next Steps .....</b>	<b>4</b>
<b>4.0 UPass Solution – The WatCard Reader .....</b>	<b>4</b>
4.1 Global Positioning System (GPS) WatCard Readers .....	4
4.2 Empirical Data.....	5
4.3 Further Advantages.....	5
<b>5.0 Estimated Costs for the UPass at the University of Waterloo .....</b>	<b>6</b>
<b>6.0 Referendum Question .....</b>	<b>6</b>
<b>7.0 Appendix A.....</b>	<b>7</b>
Letter of Intent.....	7

## 1.0 Introduction

In November 2006, the Federation of Students commissioned a survey on the non-refundable, Universal Bus Pass (UPass) under the auspices of the Office of Research Ethics. This survey provided a useful window of insight into the level of student interest in a UPass (based on the number of respondents), the price point that students were willing to pay for such a bus pass, as well as the price Grand River Transit (GRT), Region of Waterloo, was willing to offer the UPass at. This survey was also helpful in determining what service improvements needed to be made to the current Region of Waterloo transit system should a referendum on this issue pass.

These survey results were then presented at the December 2006 Students' Council meeting where a number of questions relating to the survey were raised, including how many driving and/or non-bus-using students would actually utilize the UPass. A potential referendum question was placed on the January 2007 Students' Council agenda by Federation of Students' President Michelle Zakrison, which comprised a base fee per student (as proposed by GRT) of \$41.17. President Zakrison added to that total, an additional \$.50 per student, for the purposes of marketing and administering the bus pass. However, at no point in time was a comprehensive cost review for implementing the bus pass ever determined, prior to the January Council agenda being distributed. President Zakrison's proposal was tabled by Students' Council to the Federation of Students' Executive at the January Council meeting, in order for the Executive to conduct a more thorough, comprehensive, and more thoughtful assessment.

Dissatisfied with the progress of the proposed UPass, a student petition was circulated at the end of January that helped showcase the amount of student interest in the UPass issue. The Federation of Students Executive and the Board of Directors, has since been diligently working with GRT, to determine estimated financial costs of various UPass implementation models, in order to bring the UPass issue to referendum at the end of March 2007. The following is a summary of the results of our initial discussions:

<b>2.0 Universal Bus Pass Options (\$41.17 Base Fee per Student)</b>	<b>Estimated Cost</b>	<b>Estimated Additional. Cost per Student</b>
<i>Sticker picked up on campus</i>	\$ 7,400	\$.18
<i>Sticker mailed using Canada Post*</i>	\$25,000	\$.61
<i>New card printed by GRT and picked up on campus</i>	\$43,476	\$1.06
<i>New card printed by GRT and mailed using Canada Post*</i>	\$56,500	\$1.37
<i>New card printed by outsourced company and picked up on campus</i>	\$81,221	\$1.98

*New card printed by outsourced company and mailed using Canada Post\**                      \$94,245                      \$2.29

\*Does not include campaign to update addresses and prep time for mailing (to be determined)

- *Estimated costs are based on full-time undergraduate student enrolment for Sept. 2006 of 18,053; May 2006 of 6,833 and Jan 2006 of 15,868 = 40,754 in total*

### **3.0 Next Steps**

Based on these estimated costs, and taking into account the pros and cons associated with each implementation model, the Board of Directors had to make a decision on the most feasible UPass option for full-time undergraduate students at the University of Waterloo. There are certainly several factors that need to be taken into consideration: UW is unique when compared with other schools; because of our extensive co-op program, a UPass model needs to be viable for all full-time students, both co-op and regular. Distribution is also a factor that needs to be considered because any UPass model that is adopted needs to be efficiently distributed (either by mail or by on-campus pickup at various locations) and conducted in a timely manner, at the beginning of every academic term.

After meeting with Dennis Huber, Vice President Finance and Bud Walker, Director of Business Operations on February 9, 2007, a viable alternative emerged, that addressed several concerns presented by the Board of Directors.

### **4.0 UPass Solution – The WatCard Reader**

In earlier Board of Directors discussions, the use of the “WatCard” was concluded to be not feasible, based on the complications associated with manually determining between full-time and part-time undergraduate students, graduate students, faculty and staff. The Wilfrid Laurier University Students Union (WLUSU) currently use the “OneCard” as their UPass and this has created a lot of issues for them. The Board of Directors did not want to repeat the same mistakes on our campus.

Having considered all implementation models, the WatCard is still the simplest model as there is no need to redistribute a “new” UPass as the WatCard is already widely circulated among undergraduate students, both co-op and regular. With the help of modern technology, not only can we have a UPass program that is efficient in terms of administration and relevant costs, but a UPass program that will also provide the Federation of Students and the University of Waterloo with the necessary tools to gather empirical data in order to make informed decisions and recommendations on the UPass in the future.

#### **4.1 Global Positioning System (GPS) WatCard Readers**

With this UPass solution, the **WatCard** will be used in conjunction with Global Positioning System (GPS) enabled, online-capable, portable card readers, i.e. **GPS-WatCard Readers**, placed in every GRT bus within the Region of Waterloo. Director of

Business Operations, Bud Walker, explained that the technology already exists for us to implement such a UPass model as it already exists in all Waterloo Taxis: students can pay their taxi fare on any Waterloo Taxi with their WatCard. Initial financial costs are outlined and further discussed in *5.0 Estimated Costs for the UPass at the University of Waterloo* of this report.

## **4.2 Empirical Data**

Vice President Finance Dennis Huber has also made a commitment to partially fund this project should the Federation of Students decide to pursue this course of action. This model will not only facilitate the administration of the UPass but will also offer the Federation of Students and UW the capability to gather concrete, empirical data on the number of Waterloo students actually using the UPass. With the GPS feature, there is also the potential to create an online user interface wherein students can track the movements of GRT buses in real time.

## **4.3 Further Advantages**

Further advantages of pursuing this method of implementation include but are not limited to:

1. The GPS-WatCard Readers' online capability will facilitate the transfer, and verification of depersonalized student information (i.e. verification of student ID numbers only) with the Registrars Office, and Student Accounts
2. Determining, in a very time-efficient manner, the enrolment status of a student who has swiped their WatCard prior to boarding the bus
3. The capability to gather empirical data will not only prove useful to UW and the Federation of Students, but will also be useful for GRT in determining where to make service improvements based on ridership numbers
4. The potential inclusion of Graduate Students to the system - they would be able to use their WatCard as a UPass, should the Graduate Students Association (GSA) referendum on a bus pass be adopted in their March referendum, and will also help in contributing to the administration costs associated with this UPass model
5. Potential opt-in procedure for part-time undergraduate students, faculty and staff at an increased rate, still have to determine the exact price point for this category
6. Financial costs in the implementation of this UPass model can be shared with WLUSU should they decide to use their OneCard in the same manner as the WatCard to eliminate current UPass problems at WLU

## 5.0 Estimated Costs For the UPass at the University of Waterloo

### One-time, up-front costs - all equipment for 210 buses (includes tax)

Purchase of all card readers, servers and peripherals for the buses	
Software licenses, WatCard hardware and implementation charges	
Total	\$ 584,000

### Costs per year by paying one time costs over three years

\$584,000 divided by 3	\$195,000
------------------------	-----------

### Yearly maintenance costs

\$5000 per month X 12 months	<u>\$60,000</u>
Total yearly costs	\$ 255,000

### Number of undergraduate students per year (Fall, Winter, Spring)\*

UW	40,000
----	--------

### Yearly cost per student term

\$255,000 divided by 40,000	\$ 6.38
Estimated costs for administration (e.g. marketing) by UW FEDS	<u>1.00</u>
<b>Total yearly cost per student term</b>	<b>\$7.38</b>

Multiply by 30% (contingency)	<b>\$9.60</b>
-------------------------------	---------------

\* UW Graduate students not included

\* WLU Undergraduate students not included

## 6.0 Referendum Question

Based on the above information, the Federation of Students' Board of Directors has called the following question to referendum:

*"Do you support a Universal Bus Pass (U-Pass) at a cost of \$41.08, plus an administration cost of not more than \$9.50, subject to increases due to inflation and student demand, to be paid by each full-time undergraduate student per academic term, scheduled for implementation in September 2007, and which will be reviewed in three years?"*

## 7.0 Appendix A

### LETTER OF INTENT

March 7, 2007

Federation of Students, University of Waterloo  
200 University Avenue West  
Waterloo, Ontario N2L 3G1

Dear Sir/Madam:

**Re: UW UPASS Program**

1. We confirm the intention of The Regional Municipality of Waterloo (the “Region”), owner and operator of Grand River Transit (“GRT”) to provide a UPASS for all eligible students of The University of Waterloo campuses in Waterloo Region on a school term-by-term basis throughout the calendar year.
2. The term shall commence on or before September 1, 2007, and continue in effect for a period of three (3) years (the “Initial Term”). Extension of the Initial Term shall be conditional upon written agreement of all parties by March 1, 2010.
3. A UPASS working group will be formed (the “UPASS Working Group”), composed of representatives from the Federation of Students, University of Waterloo (the “Federation of Students”) and the Region. This group will meet a minimum of two times per school term and be charged with the administration of matters and issues relating to the UPASS program.
4. The base fee to be charged per eligible student per school term by the Region commencing September 1, 2007 is \$41.08 (the “Base Fee”). It is acknowledged that the total amount to be charged by the Federation of Students for each student per school term (“the UPASS Fee”) is not necessarily equal to the Base Fee. The UPASS Fee shall be agreed upon by both parties for each school term.
5. In return for payment of the UPASS Fee, all eligible students shall be entitled to unlimited ridership privileges on all GRT Conventional Services with presentation of a valid UPASS, and/or such other identification as may be determined by the parties.
6. After the first school year, the Region and Federation of Students will meet to review the Base Fee and, thereafter, annually, at which time the Region will notify the Federation of Students of any increase related to the Ontario All Items Consumer Price Index, as published by Statistics Canada (the “CPI”). If the Base Fee increase required by the Region will be in excess of the CPI, the Region and the Federation of Students must agree on the increase proposed by the Region. In the event the parties cannot agree on the amount of the increase above the CPI, such dispute shall be referred to

arbitration under such rules and at such time and place as the parties shall mutually agree upon.

7. All discussions related to any increase in the Base Fee must begin during the month of November annually and be finalized by March of the following year.
8. The Base Fee is based on student enrollment and anticipated service improvements required. It is proposed that about 27,000 hours of new service be implemented for the first school year in order to accommodate the anticipated demand (the “Additional Service”). This will include:
  - i) additional peak hour service along Routes 8 and 13 serving UW;
  - ii) additional late night service;
  - iii) additional iXpress hours of service;
  - iv) revised Route 9 routing to serve UW campus directly; and
  - v) new service connecting Beechwood/Westvale residential areas to The University of Waterloo Mondays through Fridays.
9. The Additional Service will be implemented no later than September 4, 2007. It is anticipated that seven additional buses will be required to accommodate peak loads. During the first school year, the demand placed on the system will be evaluated by the UPASS Working Group to determine if either additional or less supplementary service is needed.

A binding agreement is subject to the following:

- i) approval of the UPASS Fee by the Federation of Students by referendum administered according to all relevant policies and bylaws not later than April 30, 2007;
- ii) approval of the UPASS Fee by the University of Waterloo Board of Governors according to all relevant policies and bylaws not later than April 30, 2007;
- iii) preparation and execution of a formal Agreement incorporating the above and such other terms and conditions as are necessary or advisable and are mutually agreed upon by both parties (the “UPASS Agreement”); and

- iv) approval by Regional Council of the entering into of the UPASS Agreement and all necessary amendments to the Fees and Charges By-Law 05-080.

If you are in agreement with the above terms, please sign the copy of this letter where indicated below, return same to the undersigned and, upon approval by the Federation of Students as outlined above, the Region will prepare the UPASS Agreement for approval by Regional Council.

Yours truly,

**THE REGIONAL MUNICIPALITY OF WATERLOO**

\_\_\_\_\_  
Rob Horne, Commissioner of Planning,  
Housing and Community Services

I have authority to bind the Corporation.

The above terms are agreed to and accepted this \_\_\_\_\_ day of March, 2007.

**FEDERATION OF STUDENTS, UNIVERSITY OF WATERLOO**

Per: \_\_\_\_\_  
Name:  
Title:

Per: \_\_\_\_\_  
Name:  
Title:

I/We have authority to bind the Corporation.