

Staff Report

Report To: City Council

Report From: Heidi Jennen, Supervisor of Environmental Services

Meeting Date: April 14, 2025

Report Code: OP-25-013

Subject: Flixbus Transit Service - Use of Owen Sound Transit

Terminal Contract Extension

Recommendations:

THAT in consideration of Staff Report OP-25-013 respecting Flixbus Transit Service – Use of Owen Sound Transit Terminal Contract Extension, City Council directs staff to bring forward by-laws to authorize the Mayor and Clerk to execute:

- The Flixbus Transit Service Use of Owen Sound Transit Terminal Contract Extension; and
- 2. A one-year extension of the agreement in 2026 if FlixBus opts to proceed.

Highlights:

- FlixBus operates five days per week from Thursday to Monday, providing convenient travel between Owen Sound and Toronto Union Station, with stops at Pearson Airport, Barrie, Collingwood, and Thornbury.
- Tickets are available through the FlixBus website and app, with plans to introduce onboard payment options for greater accessibility.

Strategic Plan Alignment:

This report supports the delivery of Core Service. The continuation of this service from Toronto to Owen Sound improves regional connectivity.

Climate and Environmental Implications:

This supports the objectives of the City's Corporate Climate Change Adaptation Plan by considering climate adaptation in the development of the City's strategies, plans and policies.

Previous Report/Authority:

<u>OP-24-007 - Flixbus Transit Service Use of Owen Sound Transit Terminal</u> Platform

Background:

On February 26, 2024, Council approved the Operations Committee meeting minutes, which included a recommendation to authorize an agreement between the City and FlixBus for the use of the Owen Sound Transit Terminal platform.

FlixBus began operations in Owen Sound on Thursday, May 30, 2024, offering intercity bus service five days a week, from Thursday to Monday, including holidays. Each trip includes one pick-up and one drop-off at the Transit Terminal, totalling ten stops per week. Buses arrive at 1:30 PM and depart at 3:15 PM, allowing for a two-hour layover during which passengers can use the washrooms or wait inside the terminal. On Sundays and holidays, the terminal is staffed until 2:30 PM. Sunday access to the transit terminal is only available until GOST funding ends on March 31, 2026.

The current FlixBus route connects Owen Sound to Toronto Union Station, with stops at Pearson Airport, Barrie, Collingwood, Thornbury and Meaford. FlixBus has also expressed interest in expanding further west in the future.

Tickets are available for purchase through the FlixBus website or the FlixBus App. While the City has the option to act as an in-person ticket vendor, the agreement would involve coordinating with FlixBus's U.S.-based ownership. Staff will continue to evaluate the feasibility of this option. However, with online ticket sales performing well, and some trips reaching capacity, staff

note that maintaining the current system is effective. FlixBus has mentioned the possibility of introducing onboard payment options, further increasing accessibility.

Analysis:

The agreement with FlixBus took effect on April 29, 2024, and remains in place until April 30, 2025. FlixBus has the option to extend the agreement for up to two additional one-year terms, provided written notice is given to the City. Given the success and demand for this intercity route, staff support its continuation and recommend approving the first one-year extension. To ensure seamless service and operational continuity beyond April 30, 2026, staff would also support a second one-year extension, should FlixBus wish to proceed.

Under the agreement, FlixBus pays the City a monthly fee of \$500 CAD for using the Transit Terminal. Payments are due by the fifth of each calendar month.

While staff considered the possibility of selling tickets directly at the terminal, the success of online sales and the operational challenges of establishing a point-of-sale system with a U.S.-based company make this option less practical. With onboard payment options expected to be introduced, accessibility will be further improved.

Financial Implications:

The City will continue to receive a monthly fee of \$500, plus HST, from FlixBus for terminal use, generating approximately \$6,000 annually. At this time, the city has no additional financial obligations related to ticket sales or operational management.

Communication Strategy:

A media advisory will be released advising of the extension. Information on Flixbus will be made available for residents and visitors at the Owen Sound Transit Terminal. Flixbus is responsible for its promotional materials.

Consultation:

Manager of Legislative Services

Attachments:

None.

Recommended by:

Heidi Jennen, Supervisor of Environmental Services

Lara Widdifield, Director of Public Works and Engineering

Submission approved by:

Tim Simmonds, City Manager

For more information on this report, please contact Heidi Jennen, Supervisor of Environmental Services, at hjennen@owensound.ca or 519-376-1440 Ext 3223.