



TRANSIT COMMITTEE MEETING AGENDA

WEDNESDAY, NOVEMBER 8, 2017
BOARD ROOM
175 INGRAM STREET, DUNCAN, BC

3:00 PM

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1. <u>APPROVAL OF AGENDA</u>	
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M1 Regular Transit Committee meeting of September 13, 2017	1
3. <u>BUSINESS ARISING FROM THE MINUTES</u>	
4. <u>PUBLIC INPUT PERIOD</u>	
5. <u>DELEGATIONS</u>	
6. <u>CORRESPONDENCE</u>	
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8. <u>REPORTS</u>	
R1 Report from the Manager, Facilities and Transit Management Division Re: Update on Correspondence from Tofino Bus Services	5
Recommendation For Information	
R2 Report from the Manager, Facilities and Transit Management Division Re: Amendment to the Annual Operating Agreement with BC Transit to Incorporate the New Saturday Service Route 44	21
Recommendation That it be recommended to the Board that the amendment to the Annual Operating Agreement with BC Transit include the service expansion hours and associated costs for Route 44 Saturday service operating between Duncan and Victoria commencing October 14, 2017, be approved.	

R3 Report from the Manager, Facilities and Transit Management Division 41
Re: Outstanding Bad Debt

Recommendation That it be recommended to the Board that the \$145.35 outstanding debt of Bruce Brothers Foods Limited be written off.

R4 Report from the Manager, Facilities and Transit Management Division Re: 2018 43
Transit Promotions and Complimentary Pass Programs

Recommendation That it be recommended to the Board:

1. That BC Transit's GradPASS program which offers Grade 12 students in the CVRD region day passes to ride the local bus service for two free days in June 2018 be approved.

2. That the School's Out Transit Special offering free transit to all youth in the K-12 system in Cowichan Valley between June 29 and July 6, 2018 be approved.

3. That the complimentary bus pass program for refugees be updated for 2018 to provide up to 20 complimentary monthly passes per month for new-entry refugees settling in the Cowichan Valley between January 1 to December 31, 2018 be approved.

R5 Report from the Manager, Facilities and Transit Management Division Re: 2018 49
Budget Review - Function 106 Commuter Transit

Recommendation 1. That the 2018 Budget for Function 106 Commuter Transit be amended to increase Provincial grant funding \$27,500 and increase bus stop maintenance expenditure \$27,500.

2. That the 2018 Budget for Function 106 be approved and amended.

R6 Report from the Manager, Facilities and Transit Management Division Re: 2018 57
Budget Review - Function 107 Transit

Recommendation 1. That the 2018 Budget for Function 107 Transit be amended to reduce the BC Transit Contract for Service expense amount by \$20,000, and to reduce the tax requisition amount by \$20,000.

2. That the 2018 Budget for Function 107 be

approved as amended.

- R7 Report from the Manager, Facilities and Transit Management Division Re: Transit Service Fare Review 65

Recommendation For Information

9. **UNFINISHED BUSINESS**

10. **NEW BUSINESS**

11. **QUESTION PERIOD**

12. **CLOSED SESSION**

Motion that the meeting be closed to the public in accordance with the *Community Charter* Part 4, Division 3, Section 90, subsections as noted in accordance with each agenda item.

13. **ADJOURNMENT**

The next Transit Committee Meeting will be held at a date to be determined, in the Board Room, 175 Ingram Street, Duncan, BC.

Committee Members

Director K. Davis, Chairperson
Director M. Clement, Vice-Chairperson
Director S. Acton
Director B. Day
Director L. Iannidinardo

Director S. Jackson
Director K. Kuhn
Director J. Lefebure
Director K. Marsh

Director I. Morrison
Director A. Nicholson
Director A. Stone
Director T. Walker

Minutes of the Transit Committee Meeting held on Wednesday, September 13, 2017 in the Regional District Board Room, 175 Ingram Street, Duncan BC at 1:00 PM.

PRESENT: Chair, K. Davis
Director S. Acton
Director M. Clement <after 1:11 PM>
Director B. Day
Director S. Jackson
Director K. Kuhn
Director L. Iannidinardo
Director J. Lefebure
Director M. Marcotte
Director I. Morrison
Director A. Nicholson <after 1:27 PM>
Director A. Stone

ALSO PRESENT: Jim Wakeham, Manager, Facilities and Transit Management
Erin Annis, Transit Analyst, Facilities and Transit Management
Michelle Lewers, Recording Secretary

GUESTS: Myrna Moore, Regional Transit Manager, BC Transit
Colin Oakes, Manager, First Canada
Bruce Pesowsky, General Manager, Oak Transit
Carol Blatchford, Cowichan Community Services

ABSENT: Director K. Marsh
Director T. Walker

APPROVAL OF AGENDA

It was moved and seconded that the agenda be amended with the addition of one New Business item:

NB1 Verbal Report from the Manager, Facilities and Transit Management Division Re: Update on New Route 44 Saturday Service from Duncan to Victoria; and

that the agenda, as amended, be approved.

MOTION CARRIED

ADOPTION OF MINUTES

M1 Regular Transit Committee meeting of July 12, 2017

It was moved and seconded that the minutes of the Regular Transit Committee meeting of July 12, 2017 be adopted.

MOTION CARRIED

CORRESPONDENCE

- C1** Tofino Bus Service Incorporated Letter Re: Application to Add More Route Locations

It was moved and seconded that it be recommended to the Board, that a letter be sent to the Passenger Transportation Board of British Columbia in response to the Tofino Bus Service Incorporated's application number 233-17 specific to route 2, advising that the Cowichan Valley Regional District supports the application, and requests the applicant to respond to the questions outlined in the response letter dated September 14, 2017.

MOTION CARRIED

- 1:11 PM** Director Clements entered the meeting at 1:11 PM.

REPORTS

- R1** Report from the Manager, Facilities and Transit Management Division Re: 2016/17 BC Transit Annual Performance Summary (APS) Report of Cowichan Valley Transit Systems and Comparative to Peer Systems

The Manager, Facilities and Transit Management Division, provided an overview of the BC Transit Annual Performance Summary data for the Cowichan Valley and detailed information of BC Transit's Information and Performance Summary outlining a comparison of Cowichan and peer transit systems.

- R2** Report from the Manager, Facilities and Transit Management Division Re: Update on 2018 Conventional Service Expansion (1,500 hours)

An update on service change priorities and timing for the 1,500 hour conventional transit service expansion, along with the associated fare review, was provided. Public consultation about proposed service changes to occur in late October and early November through online and onboard surveys as well as at open houses. The new service start date is scheduled for July 2, 2018.

NEW BUSINESS

- NB1** Verbal Report from the Manager, Facilities and Transit Management Division Re: Update on New Route 44 Saturday Service from Duncan to Victoria

An update on the service launch of Saturday, October 14, 2017, and advertising for the new Route 44 was presented.

- 1:27 PM** Director Nicholson entered the meeting at 1:27 PM.

CLOSED SESSION

- 1:28 PM** **It was moved and seconded that the meeting be closed to the public, in accordance with the *Community Charter* Part 4, Division 3, Section 90, (1)(e) Land Acquisition; and the Closed Session minutes of May 10, 2017.**

MOTION CARRIED

RISE FROM CLOSED SESSION

1:45 PM It was moved and seconded that the Transit Committee rise with report on CSR1 and return to the Open portion of the meeting.

MOTION CARRIED

It was moved and seconded that the Board approve an amendment to the 2017 Function 106 (Commuter) budget to include \$30,000 in Provincial grant funding and to increase the bus stop maintenance expense account by \$30,000.

MOTION CARRIED

ADJOURNMENT

1:45 PM It was moved and seconded that the meeting be adjourned.

MOTION CARRIED

The meeting adjourned at 1:45 PM.

Chair

Recording Secretary

Dated: _____



STAFF REPORT TO COMMITTEE

DATE OF REPORT October 24, 2017
MEETING TYPE & DATE Transit Committee of November 8, 2017
FROM: Facilities & Transit Division
 Community Services Department
SUBJECT: Update on Correspondence from Tofino Bus Services
FILE:

PURPOSE/INTRODUCTION

The purpose of this report is to update the Committee on the recent correspondence between Tofino Bus Services and the CVRD in relation to Tofino Bus Services application (233-17) to the Passenger Transportation Board to amend its service license to include stops in some areas of the Cowichan Valley.

RECOMMENDED RESOLUTION

For Information.

BACKGROUND

On August 27, 2017, the CVRD received a letter from Tofino Bus Services advising that they have applied to the Passenger Transportation Board to request an amendment to their Passenger Transportation license to enable them to add route locations in the Cowichan Valley as per their license. See Attachment A. The letter advises if the CVRD has any comments or concerns, they are to submit them to the Passenger Transportation Board by Sept 13, and subsequently the Board gave an extension to September 15.

On September 13, 2017, the CVRD Transit Committee reviewed the letter and recommended to the CVRD Board that a response letter be sent, advising that the CVRD supports Tofino Bus Services' application and that they provide responses to the questions outlined in the CVRD response letter of September 14. CVRD Board approved the response letter be sent. See Attachment B for the response letter.

On September 20, 2017, the CVRD received a letter from Tofino Bus Services that provided some information that was requested, but only the northbound trip schedule from Victoria to Nanaimo was provided. See Attachment C.

On September 20, 2017, the CVRD (Manager, Facilities and Transit Management) emailed Tofino Bus Services (President Dylan Green) seeking information not provided and the southbound trip schedule from Nanaimo to Victoria.

Information requested in the CVRD email:

- Re: Question 1, Cowichan Bay reserve stop Option 1 – where does the bus actually plan to stop and pick up in Cowichan Bay Village?
- Re: Question 1, North Cowichan reserve stop in Chemainus – where is the proposed pick up location in Chemainus?
- Re: Question 1, Ladysmith reserve stop – where is the proposed pick up location by the noted roundabout?

- Re: Question 1, stop locations noted below are currently used by our Cowichan Valley Transit System, and we would need to discuss the coordination of both entities possibly using the same stops:
 - Valleyview Centre Park and Ride (used M-F by Commuter Routes 66 & 99 and as of October 14 on Saturday by Route 44).
 - Koksilah Rd transit loop (used by local Routes 8 and 9 daily and by Commuter Route 66 M-F).
 - Mill Bay Centre stop (used by local Routes 8 and 9 daily).
 - Chemainus (if stops are on Chemainus Road, our stops are used by local Route 6 daily).
 - Ladysmith (if stop is south on 1st St. after roundabout at Symonds, our stop is used by local Routes 31, 45, and 36 daily).
- Re: Question 2, it appears the schedule provided to us is only for northbound trips, can you also provide the southbound schedule between Nanaimo and Victoria?

On October 5, 2017, the CVRD received an email from Tofino Bus Services (Dylan Green) that provided further information and schedules for both the south and northbound trips.

Information provided in the Tofino Bus Services response email:

1. Cowichan Bay Village, we are open to suggestions from the Transit Division.
2. The new Co-op gas station looked like a good location, as there is a U-turn zone just past Co-op.
3. Roundabout past Tim Hortons.
4. Yes, using same stops as transit promotes inter-modal car free travel.
5. <http://www.tofinobus.com/application> is our proposed schedule, northbound and southbound.

See Attachment D for the south and north bound schedules.

ANALYSIS

Tofino Bus Services' application (233-17) to amend its license to add stops in some areas of the Cowichan Valley is a benefit to the residents as it will provide additional transit service options, and service for residents wishing to travel north of Ladysmith.

Upon receiving confirmation that Tofino Bus Services' license has been approved, the CVRD, BC Transit, the Ministry of Transportation and Infrastructure, and the Municipalities that Tofino Bus Services wish to add stops in, will need to work together to coordinate stop locations.

With regard to the proposed south and northbound schedules, for the most part the trip times do not appear to be conflicting with the CVRD commuter trips. However, there are a few trips where the departure times are the same or very close. See the red noted times below.

Southbound – Leaving Duncan (Village Green Mall)

Tofino Bus Services times: 9:30 am, 11:30 am, 3:30 pm, and 5:55 pm

CVRD times Monday - Friday: 5:32 am, 5:55 am, 6:10 am, and 6:25 am

CVRD times Saturday: 9:17 am, 12:24 pm, and 3:36 pm

Northbound – Tofino leaves Victoria at (the bus depot) and CVRD leaves by the legislature

Tofino Bus Services times: 8:15 am, 12:30 pm, 2:30 pm, and 4:45 pm

CVRD times Monday - Friday: 3:40 pm, 3:45 pm, 4:10 pm, 4:40 pm, 4:45 pm, and 5:15 pm

CVRD times (Saturday): 10:47 am, 1:59 pm, and 5:11 pm

Northbound – leaving Duncan to Nanaimo

Tofino Bus Services times: 9:20 am, 1:35 pm, 3:35 pm, and 5:50 pm

CVRD times: not available to Nanaimo.

FINANCIAL CONSIDERATIONS

It is unknown if the Tofino Bus Service trips will have an affect on the revenues of the Commuter Routes 66, 99, and the Saturday Route 44. No budget affect has been taken into account with the Draft 2018 Transit Commuter Budget.

COMMUNICATION CONSIDERATIONS

N/A

STRATEGIC/BUSINESS PLAN CONSIDERATIONS

N/A

Referred to (upon completion):

- Community Services (*Island Savings Centre, Cowichan Lake Recreation, South Cowichan Recreation, Arts & Culture, Public Safety, Facilities & Transit*)
- Corporate Services (*Finance, Human Resources, Legislative Services, Information Technology, Procurement*)
- Engineering Services (*Environmental Services, Recycling & Waste Management, Water Management*)
- Land Use Services (*Community Planning, Development Services, Inspection & Enforcement, Economic Development, Parks & Trails*)
- Strategic Services

Prepared by:



Jim Wakeham
Manager

Reviewed by:

Not Applicable
Not Applicable



John Elzinga
General Manager

ATTACHMENTS:

- Attachment A – August 27, 2017 Letter from Tofino Bus Services Re: Application Amendment and Public Notice Terminal
- Attachment B – September 14, 2017 CVRD Response Letter Re: Application 233-17 Route 2
- Attachment C – September 20, 2017 Letter to CVRD from Tofino Bus Services
- Attachment D – September 20, 2017 Tofino Bus Services Trip Schedules



all island express

August 27, 2017

Chair and Board
Cowichan Valley Regional District (CVRD)

Tofino Bus Services Inc. (TBSI) is pleased to announce that we have applied the Passenger Transportation Board to add more route locations in the CVRD as route points to our Passenger Transportation Licence. TBSI already has authority to pick up passengers along our route throughout many communities in the CVRD, and has been providing service to Duncan for over 2+ years. However, in an effort to further improve our daily inter-city bus service to CVRD communities, we are applying to add multiple CVRD communities as formal designated route points. This elevates route points in the CVRD to being reservable stops on our daily schedule, ensuring year-round connection to our network of routes.

TBSI has been operating as an inter-city bus service on Vancouver Island since 2002. Most recently in 2015, TBSI expanded to provide daily inter-city bus service to all major centres on Vancouver Island — between Victoria – Nanaimo – Courtenay – Port Hardy — and of course on our legacy route, Victoria – Nanaimo – Port Alberni – Tofino.

With 15 years of inter-city bus experience, and as a Vancouver Island owned and operated company, TBSI's proven team looks forward to providing communities in the CVRD specific, year-round, daily bus service to residents and visitors in your community.

The TBSI application to the Passenger Transportation Board of BC to add communities in the CVRD as a route points is identified as Application number 233-17. Specifically the CVRD is mentioned in Route 2 of the application. More information about the application, including an explanatory paper by TBSI, is available at www.ptboard.bc.ca/bus.htm. Please note:

- The Passenger Transportation Board will consider written comments it receives by **Wednesday, September 13, 2017**
- Send comments to the Passenger Transportation Board at Box 9850 STN PROV GOVT, Victoria BC V8W 9T5, or by fax at 250-953-3788, or email at ptboard@gov.bc.ca.
- The Board forwards comments to TBSI. Comments from private individuals are subject to a privacy and confidentiality agreement that TBSI made with the Board.

Sincerely,

Dylan Green, Founder and President, Tofino Bus Services Inc.

tofinobus.com

Tofino Bus Services Inc. • ☎ 250.725.2871 📠 250.725.2876
Box 207 • 346 D Campbell Street • Tofino, BC, V0R 2Z0
Maintenance & Operations • ☎ 250.585.5871 📠 250.585.2290
2230 McGarrigle Road • Nanaimo, BC, V9S 4M3

Tofino Bus—All Island Express!¹

Passenger Transportation Board application number 233-17; route numbers: 1 (Nanaimo–Tofino), 2 (Victoria–Tofino), 4 (Nanaimo–Campbell River) and 5 (Campbell River–Port Hardy)

2017 housekeeping application to modernize licence conditions on its routes Nanaimo–Campbell River–Port Hardy and Victoria–Nanaimo–Tofino

This paper provides the operating and business basis for the application by Tofino Bus Services Inc. (TBSI) on its existing BC Transportation Licence to: 1) change existing flag-drop locations to reserve-drop locations; 2) specifically designate reserve drop locations between Victoria–Nanaimo; 3) designate Duncan as a route point; 4) increase route frequency between Victoria–Nanaimo to match actual and historical operational frequency. This Explanatory Paper has been prepared by TBSI for public information.

Background

Tofino Bus Services Inc. (TBSI) has been a licenced inter-city bus operator on Vancouver Island since 2002. In 2015, TBSI expanded its routes to include Courtenay, Campbell River, Port Hardy, and many small communities in between. TBSI provides daily, year-round service to more island communities than any other scheduled bus operator. At present, some TBSI buses travel the slower Old Island Highway (19A), in case any riders are waiting for pick-up at smaller communities (flag-drop locations) along that highway. However, less than 2% of our riders request such a pick-up, whereas over 98% of riders are travelling inter-city between the larger centres on Vancouver Island.

TBSI is applying to the Passenger Transportation Board to change all our small flag-drop locations to reserve-drop locations, for which reservations can easily be made by telephone, smartphone, computer or at any Island bus station (Of the 2% flag-drop passengers, 90+% already pre-reserve their pick-up). This will enable TBSI buses to travel the faster Inland Island Highway (19), dropping down to the Old Island Highway only for reserved pick-ups. In this way, travel times for all passengers will improve, with no loss of service to any small community. For example, travel times between Campbell River and Victoria will shorten by up to 30 minutes, simply by changing our flag-drop locations to reserve-drop.

TBSI is also applying to specify reserve-drop locations along the Victoria–Nanaimo corridor and to specifically designate Duncan as a route point. This will be consistent with the licence design of our other routes, and better enable us to clearly communicate these route points to the public. TBSI is already authorized for pick-ups at any route points between Victoria–Nanaimo.

TBSI is also applying to update the licenced route frequency to match the schedule that has been in operation since 2015, by removing the seasonal minimum and increasing the minimum frequency to 3 per day. Duncan will also be added as a route point, a location we have been servicing for over 2 years.

This licence modernization better reflects the way bus travellers use the inter-city bus service.

Proposed PTB licence changes

1. TBSI is applying to change all flag-drop (fd) locations to reserve-drop (rd) locations.
2. TBSI is applying to add reserve-drop (rd) locations along the Victoria–Nanaimo corridor, remove seasonal minimum frequencies, add Duncan as a route point, and increase route frequency Victoria–Duncan–Nanaimo to 3 per day, to match actual current and historic operations. (Route 2).

* * *

More information about the application is available at:

- More information about the application, including an explanatory paper by Tofino Bus Service Inc. is available at www.ptboard.bc.ca/bus.htm
- The Passenger Transportation Board will consider written comments it receives by **Wednesday September 13, 2017**
- Send comments to the Passenger Transportation Board at Box 9850 STN PROV GOVT, Victoria BC, V8W 9T5, or by fax at (250) 953-3788 or email at ptboard@gov.bc.ca.
- The Board forwards comments to the Tofino Bus Services Inc. Comments from private individuals are subject to a privacy and confidentiality agreement that the Tofino Bus Service Inc. made with the Board.

¹ Tofino Bus Services Inc., PO 207, 346 Campbell St., Tofino BC, V0R 2Z0, info@tofinobus.com
(250) 725-2871



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September 14, 2017

File No.:

Passenger Transportation Board
PO Box 9850, STN Prov Govt
VICTORIA BC V8W 9T5

via email: ptboard@gov.bc.ca

To Whom It May Concern:

Re: Tofino Bus Application No. 233-17 – Route #2

The Board of Directors of the Cowichan Valley Regional District (CVRD) at its Regular Board meeting of September 13, 2017, considered the Tofino Bus Services Inc.'s (TBSI) letter dated August 27, 2017 regarding their application No. 233-17, and passed the following resolution:

"That a letter be sent to the Passenger Transportation Board of British Columbia in response to the Tofino Bus Service Incorporated's application number 233-17 specific to route 2, advising that the Cowichan Valley Regional District supports the application and requests the applicant to respond to the questions outlined in the response letter dated September 14, 2017."

The above-referenced application is put forth to amend the terms and conditions of its intercity bus licence for four routes. Changes to intercity bus service and stops on Route #2 (Victoria to Tofino) fall within local municipalities and electoral areas in the Cowichan Valley. We wish to provide the Passenger Transportation Board and TBSI the following general information about our existing inter-regional transit routes, schedules, and stops operating in the Cowichan Valley, as well as our service to Victoria. This information is provided so that any changes to intercity bus services can be coordinated to maximize transportation choices and connections moving forward.

The CVRD and BC Transit are responsible for operation of the Cowichan Valley Regional Transit system, which provides transit service in four municipalities: City of Duncan, Municipality of North Cowichan, Town of Ladysmith, and Town of Lake Cowichan; as well as in seven participating electoral areas. The CVRD Board makes decisions on transit fares, routes and services levels, based on information and planning provided by BC Transit. The CVRD also works with local road authorities to coordinate installation, operation and maintenance of bus stops and related infrastructure.

The CVRD has operated a transit service connecting the Cowichan Valley to the Capital Regional District (Victoria) since 2008 and the service details are provided in the attachments to this correspondence. In addition, the CVRD and the Victoria Regional Transit Commission are partners in the operation of the two inter-regional transit routes between the Cowichan Valley and the Capital Regional District, operating on weekdays only.

This Cowichan Valley Commuter (CVC) service includes Route #66: the Duncan Commuter, and Route #99; the Shawnigan Lake Commuter. Commuter transit trips leave Duncan and Cobble Hill early in the morning and return in the late afternoon (see Attachment A for CVC transit route and schedule information). The CVC service is well used by working commuters and was introduced in 2008 to reduce single occupancy vehicles on the Malahat corridor. No statutory holiday service or midday service is available on these routes, with no immediate plans to provide additional weekday transit service between the two regions due to costs and funding limitations. Also of note, while local transit routes connect Cowichan Valley communities to Duncan these routes do not operate early enough to connect with the commuter bus service to and from Victoria on weekdays. As a result, residents in smaller communities (e.g. Cowichan Bay, Cobble Hill, Mill Bay, Shawnigan Lake, etc.) have expressed a desire for more direct and more frequent transportation connections to Victoria.

In October 2017, the CVRD and BC Transit are implementing new Route #44, Duncan-Victoria, which will provide three daily round trips between Duncan and Victoria on Saturdays using existing commuter buses available in the fleet. This service is the result of public demand for expanded transit service between the two regions. As a pilot service, Route #44 will be evaluated 6-12 months after implementation to determine if it is viable to continue operating (see Attachment B for Route #44 schedule and map information).

Transit services are not currently available between the Cowichan Valley and the Regional District of Nanaimo (RDN) to the north. Although transit service between the regions has been requested there are no immediate plans to implement this due to costs and other transit service priorities within each region. Residents in the Town of Ladysmith and the community of Chemainus are particularly interested in transportation connections to Nanaimo. The provision of intercity bus service by Tofino Bus Services is important to maintaining transportation connections between the two regions.

The CVRD supports the amendments to terms and conditions of TBSI's intercity bus licence to increase reserve stops, route destination points, and trip frequency on Route #2 between Nanaimo and Victoria as it views the proposed changes as a positive initiative in providing more transportation options to Cowichan Valley residents.

The CVRD is requesting TBSI provide some additional information in order to help the CVRD better understand the proposed changes in the application, this will also assist with the coordination and the provision of transportation services.

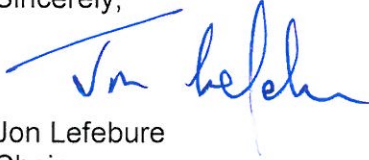
- What bus stops and route locations (roads) would Route #2 use?
- What days of the week and times of day, would trips be offered by Tofino Bus Services on Route #2?
- What type of vehicle would be used on the routes?
- What would be the proposed fares?

September 14, 2017
Passenger Transportation Board

Page Three

Thank you for the opportunity to review and comment on application No. 233-17. The CVRD Board of Directors look forward to the receipt of additional information as requested above.

Sincerely,



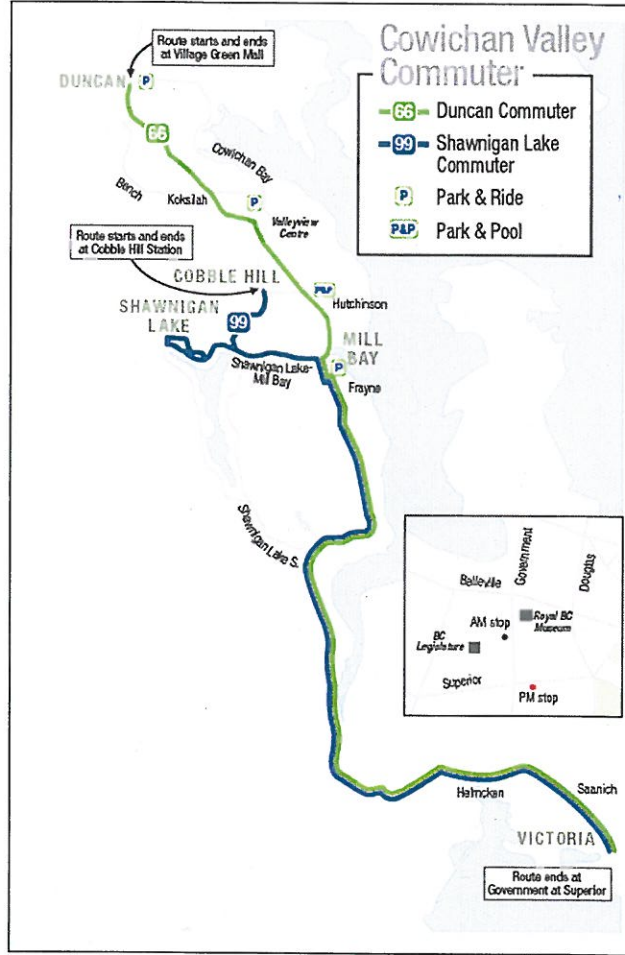
Jon Lefebure
Chair

JL/JW/sc

Attachments: A - Cowichan Valley Commuter (CVC) Transit information
B - New Route #44 (Duncan to Victoria) Information

pc: Board of Directors, CVRD
Mayor and Council, City of Duncan
Mayor and Council, Municipality of North Cowichan
Mayor and Council, Town of Ladysmith
Mayor and Council, Town of Lake Cowichan
Dave Edgar, Senior Planner, BC Ministry of Transportation and Infrastructure
Myrna Moore, Senior Regional Transit Manager, BC Transit
Brian Carruthers, Chief Administrative Officer, CVRD
Jim Wakeham, Manager Facilities & Transit Management, CVRD

Attachment A – Cowichan Valley Commuter (CVC) Transit Information
 Launching October 14, 2017 – Saturdays Only

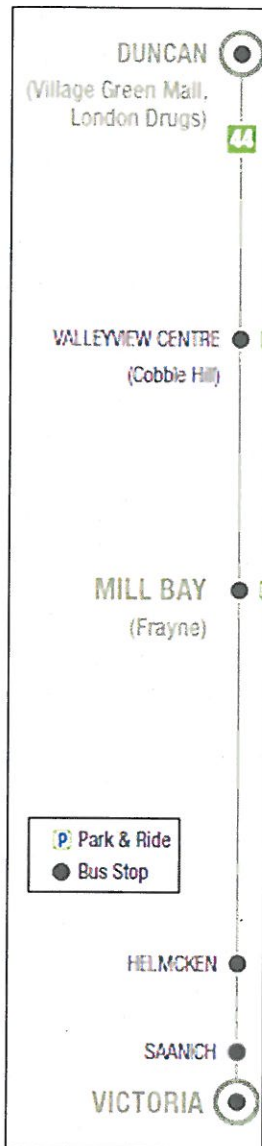


66 Duncan Commuter							
AM to Victoria							
Monday through Friday							
Village Green Mall	Valleyview Park & Ride	Lodgepole and Frayne	View Royal: Hwy 1 and Helmscken Interchange	Victoria: Douglas and Boleskine	Victoria: Douglas and Finlayson	Victoria: Government and Superior	
5:32	5:42	5:53	6:20	6:28	6:30	6:44	
5:55	6:06	6:18	6:47	6:57	7:00	7:15	
6:10	6:21	6:33	7:03	7:14	7:17	7:32	
6:25	6:36	6:48	7:18	7:29	7:32	7:47	
PM to Duncan							
Monday through Friday							
Victoria: Superior and Government	Victoria: Douglas and Finlayson	Victoria: Douglas and Saanich	View Royal: Hwy 1 and Helmscken Interchange	Lodgepole and Frayne	Valleyview Park & Ride	Village Green Mall	
3:45	3:58	4:03	4:13	4:48	4:58	5:12	
4:10	4:24	4:30	4:41	5:16	5:26	5:40	
4:45	4:59	5:05	5:16	5:51	6:01	6:15	
5:15	5:28	5:33	5:43	6:18	6:28	6:42	

* London Drugs

99 Shawnigan Lake Commuter							
AM to Victoria							
Monday through Friday							
Cobble Hill Station and Fisher	Shawnigan Beach Estates and Gregory	Shawnigan Lake Village and Shawnigan-Mill Bay	Lodgepole and Frayne	View Royal: Hwy 1 and Helmscken Interchange	Victoria: Douglas and Boleskine	Victoria: Douglas and Finlayson	Victoria: Government and Superior
5:50	6:01	6:12	6:21	6:50	7:00	7:03	7:18
6:45	6:56	7:07	7:16	7:46	7:57	8:00	8:15
PM to Shawnigan Lake							
Monday through Friday							
Victoria: Superior and Government	Victoria: Douglas and Finlayson	Victoria: Douglas and Saanich	View Royal: Hwy 1 and Helmscken Interchange	Lodgepole and Frayne	Shawnigan Lake Village and Shawnigan-Mill Bay	Shawnigan Beach Estates and Gregory	Cobble Hill Station and Fisher
3:40	3:53	3:58	4:08	4:43	4:52	4:59	5:15
4:40	4:54	5:00	5:11	5:46	5:55	6:02	6:18

Attachment B – New Route #44 (Duncan-Victoria) Information



44 Victoria To Victoria

Saturday

Village Green Mall (London Drugs)	Duncan Train Station	Valleyview Centre	Lodge Pole and Frayne	View Royal: Hwy 1 and Helmscken	Victoria: Douglas and Boleskin	Victoria: Douglas and Finlayson	Victoria: Government and Superior
9:17	—	9:31	9:42	10:11	10:17	10:20	10:32
12:24	12:27	12:43	12:54	1:23	1:29	1:32	1:44
3:36	3:39	3:55	4:06	4:35	4:41	4:44	4:56

* NOTE: Pick up only to Victoria. No service on Statutory holidays which fall on Saturday. Scheduled times subject to change as a result of congestion, construction and/or detours.

44 Duncan To Duncan

Saturday

Victoria: Government and Superior	Victoria: Douglas and Finlayson	Victoria: Douglas and Saanich	View Royal: Hwy 1 and Helmscken	Lodge Pole and Frayne	Valleyview Centre	Duncan Train Station	Village Green Mall (London Drugs)
10:47	10:58	11:03	11:10	11:40	11:50	12:05	12:09
1:59	2:10	2:15	2:22	2:52	3:02	3:17	3:21
5:11	5:22	5:27	5:34	6:04	6:14	—	6:28

* NOTE: Drop off only to Duncan. No service on Statutory holidays which fall on Saturday. Scheduled times subject to change as a result of congestion, construction and/or detours.

*Not all stops are shown in the map & schedule above.



all island express

September 20, 2017

Chair and Board
Cowichan Valley Regional District (CVRD)
Dear Chairman and Members of the Board,

Tofino Bus Services Inc. (TBSI) would like to thank the Chair and Board Members for their letter of support regarding Passenger Transportation Application No. 233-17 – Route #2.

In the letter, CVRD chair Jon Lefebure thoroughly explains the CVRD's progressive commitment to improving regional transportation options, by way of the Cowichan Valley Regional Transit and your partnership with the Capital Regional District on two inter-regional transit routes to Victoria. I look forward to the opportunity to coordinate TBSI inter-city operations with CVRD public transit services.

Mr. Lefebure points out that no transit services currently exist between Ladysmith and Nanaimo. TBSI, having provided services to the CVRD for over 15 years now, has a strong understanding of transportation needs on the Victoria – Nanaimo corridor, and concurs with Mr. Lefebure. Application 233-17 already has an increased minimum frequency proposal of 3 rd for Ladysmith to connect with Nanaimo – Duncan – Victoria. My below answer to CVRD's question 2 shows the desire of TBSI to improve inter-city bus service to large and small communities between Victoria and Nanaimo. I also believe that residents of TBSI route points in the Cowichan Valley could, in future use Cowichan Valley regional transit to connect with TBSI's daily scheduled inter-city bus service at Duncan and Ladysmith

Within his letter, Mr. Lefebure asks four questions. Here are the answers:

1. What bus stops and route locations (roads) would Route #2 use?

The main design of application No. 233-17 is to modernize our licence to allow reserve-drop (rd) locations. Rd locations are for small-community route points and require a reservation for pick-up. By doing this, the bulk of the schedules will travel down Highway 1 except when a reservation is made. In that case, one or more of the following routes would be followed:

- Mill Bay, Highway 1 to Deloume Rd., to Mill Bay Rd., to Mill Bay Shopping Centre and return to Highway 1;
- Cobble Hill, Highway 1 to Cowichan Bay Rd., to Valleyview Centre Park and Ride and return to Highway 1;
- Cowichan Bay option 1., Highway 1 to Cowichan Bay Rd. to Cowichan Village and return to Highway 1 via Bench Rd.;
- Cowichan Bay option 2., Highway 1 to Koksilah Rd. transit loop and return to Highway 1;

- Cowichan Bay option 3., Highway 1 to Bench Rd., Bench Rd. U-turn, Coop Gas Station and return to Highway 1;
- Duncan, Inter-city Bus Station at Village Green Mall;
- North Cowichan, Highway 1 to Henry Rd., to Chemainus Rd., Chemainus; Saltair, Chemainus Rd. to Saltair, return to Highway 1;
- Ladysmith, Highway 1 to 1st Ave, to roundabout, Tim Hortons, return to Highway 1.

Application 233-17 improves our ability to provide service to small communities. Small community pick-ups are infrequent, compared to the larger centres on Vancouver Island. Therefore, by having rd route points we can add more of them, and also add rd locations to more schedules as in practice we will only travel to these route points when a reservation is made. This ensures the bulk of our schedules continue to travel direct between the major centres, and only track off Highway 1 when a reservation is made. This will reduce our travel times by up to 30 minutes between Victoria and Campbell River, and allow us to serve more small communities with greater frequency.

2. What days of the week and times of day, would be offered by Tofino Bus Services on Route #2?

Daily as proposed in below schedule table:

Victoria Bus Depot	8:15 am	12:30 pm	2:30 pm	4:45 pm
Victoria, Mayfair Transit Stop	8:25 am	12:40 pm	2:40 pm	4:55 pm
Victoria, Uptown Transit Stop (<i>Saanich</i>)	8:30 am	12:45 pm	2:45 pm	5:00 pm
Victoria, Langford (<i>reserve</i>)	8:45 am	1:00 pm	3:00 pm	5:15 pm
Mill Bay (<i>reserve</i>)	9:05 am	1:20 pm	3:20 pm	5:35 pm
Cobble Hill (<i>reserve</i>)	9:10 am	1:25 pm	3:25 pm	5:40 pm
Cowichan Bay (<i>reserve</i>)	9:15 am	1:30 pm	3:30 pm	5:45 pm
Duncan Bus Depot	9:20 am	1:35 pm	3:35 pm	5:50 pm
North Cowichan (<i>reserve</i>)	9:30 am	1:45 pm	3:45 pm	6:00 pm
Saltair (<i>reserve</i>)	9:35 am	1:50 pm	3:50 pm	6:05 pm
Ladysmith (<i>reserve</i>)	9:40 am	1:55 pm	3:55 pm	6:10 pm
Nanaimo, Cassidy Airport (<i>reserve</i>)	9:45 am	2:00 pm	4:00 pm	6:15 pm
Nanaimo Departure Bay Ferry (arrival)	10:05 am	2:20 pm	4:20 pm	6:35 pm

3. What type of vehicle would be used on the routes?

Principally inter-city style motorcoaches. Alternate vehicle would be 24+ passenger minibuses.

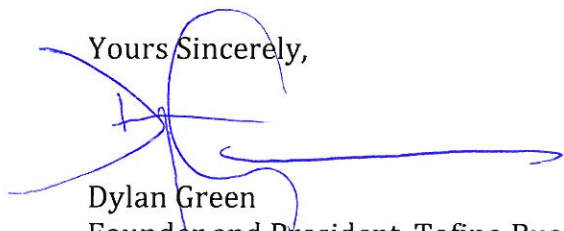
4. What would the proposed fares be?

All fares include GST. Further discounts for Students, Seniors, round-trip fares, online fares and advance fare purchase.

	V	MB	CH	CB	D	NC	S	L	CA	N
Victoria (V)		\$17	\$17	\$17	\$21	\$22	\$26	\$26	\$31	\$31
Mill Bay (MB)	\$17		\$17	\$17	\$17	\$17	\$22	\$22	\$26	\$29
Cobble Hill (CH)	\$17	\$17		\$17	\$17	\$17	\$17	\$21	\$22	\$26
Cowichan Bay (CB)	\$17	\$17	\$17		\$17	\$17	\$17	\$21	\$22	\$26
Duncan (D)	\$21	\$17	\$17	\$17		\$17	\$17	\$21	\$17	\$17
North Cowichan (NC)	\$22	\$17	\$17	\$17	\$17		\$17	\$17	\$17	\$22
Saltair (S)	\$26	\$21	\$17	\$17	\$17	\$17		\$17	\$17	\$21
Ladysmith(L)	\$26	\$22	\$21	\$21	\$17	\$17	\$17		\$17	\$21
Cassidy Airport (CA)	\$31	\$26	\$22	\$22	\$17	\$17	\$17	\$17		\$17
Nanaimo (N)	\$31	\$29	\$26	\$26	\$22	\$22	\$21	\$21	\$17	

I look forward to ongoing communication with the CVRD to ensure TBSI inter-city bus services connect well with local transit services, and continue to promote sound transportation economic conditions in the Cowichan Valley and on Vancouver Island in general.

Yours Sincerely,



Dylan Green
 Founder and President, Tofino Bus Services Inc.

Proposed Tofino Express bus schedules (Sept 20, 2017)

Tofino Express Southbound				
for departures from	daily	daily	daily	daily
Tofino	-	6:20 am	10:25 am	12:45 pm
Ucluelet	-	7:00 am	11:05 am	1:25 pm
Port Alberni (Arrival)	-	8:30 am	12:45 pm	2:55 pm
Port Alberni (Departure)	-	8:30 am	1:00 pm	3:00 pm
Whisky Creek (reserve)	-	8:50 am	1:20 pm	3:20 pm
Hilliers (reserve)	-	9:00 am	1:30 pm	3:30 pm
Coombs (reserve)	-	9:05 am	1:35 pm	3:35 pm
Parksville Bus Depot	-	9:15 am	1:45 pm	3:45 pm
Nanaimo, Woodgrove Centre (arrival only)	-	<i>by request</i>	<i>by request</i>	<i>by request</i>
Nanaimo, Departure Bay Ferry (arrival)	-	10:05 am	2:30 pm	4:30 pm
Nanaimo, Departure Bay Ferry (departure)	8:30 am	10:25 am	2:30 pm	4:55 pm
Nanaimo, Cassidy Airport (reserve)	8:45 am	10:40 am	2:45 pm	5:10 pm
Ladysmith (reserve)	8:55 am	10:50 am	2:55 pm	5:20 pm
Saltair (reserve)	9:00 am	10:55 am	3:00 pm	5:25 pm
North Cowichan (reserve)	9:05 am	11:00 am	3:05 pm	5:30 pm
Duncan Bus Depot	9:30 am	11:30 am	3:30 pm	5:55 pm
Cowichan Bay (reserve)	9:35 am	11:35 am	3:35 pm	6:00 pm
Cobble Hill (reserve)	9:40 pm	11:40 pm	3:40 pm	6:05 pm
Mill Bay (reserve)	9:45 am	11:45 am	3:45 pm	6:10 pm
Victoria, Langford (reserve)	10:15 pm	12:15 pm	4:15 pm	6:40 pm
Victoria, Uptown Transit Stop (Saanich)	10:25 am	12:20 am	4:25 pm	6:50 pm
Victoria, Mayfair Transit Stop	10:30 pm	12:30 pm	4:30 pm	6:55 pm
Victoria Bus Depot	10:35 am	12:35 am	4:35 pm	7:00 pm
Vancouver Bus Depot	-	1:25 pm	5:55 pm	8:05 pm

North Island Express Northbound				
for departures from	daily	daily	daily	daily
Vancouver Bus Depot (via Nanaimo)	7:15 am	11:30 am	1:45 pm	-
Vancouver Burrard Station	tba	tba	-	-
Victoria Bus Depot	8:15 am	12:30 pm	2:30 pm	4:45 pm
Victoria, Mayfair Transit Stop	8:25 am	12:40 pm	2:40 pm	4:55 pm
Victoria, Uptown Transit Stop (Saanich)	8:30 am	12:45 pm	2:45 pm	5:00 pm
Victoria, Langford (reserve)	8:45 am	1:00 pm	3:00 pm	5:15 pm
Mill Bay (reserve)	9:05 am	1:20 pm	3:20 pm	5:35 pm
Cobble Hill (reserve)	9:10 am	1:25 pm	3:25 pm	5:40 pm
Cowichan Bay (reserve)	9:15 am	1:30 pm	3:30 pm	5:45 pm
Duncan Bus Depot	9:20 am	1:35 pm	3:35 pm	5:50 pm
North Cowichan (reserve)	9:30 am	1:45 pm	3:45 pm	6:00 pm
Saltair (reserve)	9:35 am	1:50 pm	3:50 pm	6:05 pm
Ladysmith (reserve)	9:40 am	1:55 pm	3:55 pm	6:10 pm
Nanaimo, Cassidy Airport (reserve)	9:45 am	2:00 pm	4:00 pm	6:15 pm
Nanaimo Departure Bay Ferry (arrival)	10:05 am	2:20 pm	4:20 pm	6:35 pm
Nanaimo Departure Bay Ferry (depart)	10:30 am	2:55 pm	5:00 pm	-
Nanaimo, Woodgrove Centre (reserve)	10:45 am	3:10 pm	5:15 pm	-
Parksville Bus Depot	11:10 am	3:35 pm	5:35 pm	-
Qualicum Beach, Visitor Centre (reserve)	11:25 am	-	-	-
Bowser/Fanny Bay (reserve)	11:40 am	-	-	-
Buckley Bay, Petro Canada (reserve)	11:55 am	4:10 pm	6:40 pm	-
Union Bay (reserve)	12:05 am	4:20 pm	6:50 pm	-
Royston (reserve)	12:10pm	4:25 pm	6:55 pm	-
Cumberland	-	-	-	-
Courtenay Bus Depot	12:20 pm	4:35 pm	7:05 pm	-
Merville (reserve)	12:40 pm	-	-	-
Black Creek (reserve)	12:45 pm	-	-	-
Oyster River (reserve)	12:55 pm	-	-	-
Campbell River Bus Depot (arrival)	1:15 pm	5:20 pm	7:50 pm	-
Campbell River Bus Depot (departure)	2:10 pm	-	-	-
Sayward Junction (reserve)	3:00 pm	-	-	-
Woss Camp Bus Depot	3:50 pm	-	-	-
Port McNeill BC Ferry Terminal	4:45 pm	-	-	-
Port Alice Junction (reserve)	5:05 pm	-	-	-
Port Hardy, BC Ferry Terminal (Saturday only)	5:10 pm	-	-	-
Port Hardy Bus Depot	5:30 pm	-	-	-



STAFF REPORT TO COMMITTEE

DATE OF REPORT October 2, 2017

MEETING TYPE & DATE Transit Committee of November 8, 2017

FROM: Facilities & Transit Division
Community Services Department

SUBJECT: Amendment to the Annual Operating Agreement with BC Transit to Incorporate the New Saturday Service Route 44

FILE:

PURPOSE/INTRODUCTION

The purpose of this report is to seek approval for an amendment to the Annual Operating Agreement (AOA) with BC Transit to include the service expansion hours and associated costs for the new Route 44 Saturday service operating between Duncan and Victoria commencing October 14, 2017.

RECOMMENDED RESOLUTION

That it be recommended to the Board:

That the amendment to the Annual Operating Agreement with BC Transit include the service expansion hours and associated costs for Route 44 Saturday service operating between Duncan and Victoria commencing October 14, 2017, be approved.

BACKGROUND

On August 10, 2016, the Board approved BC Transit's 3-year expansion initiatives, which included 500 hours for a new Saturday Express service from Duncan to Victoria. The CVRD signed an Expansion Memorandum of Understanding to support this service expansion. Commencement of the service was targeted for September 2017, upon approval of the Provincial funding share of the costs.

On April 13, 2017, BC Transit advised the CVRD that the Province approved their share of the Saturday service funding.

On May 24, 2017, the Board approved three service operating items:

1. That three southbound and three northbound trips per Saturday excluding statutory holidays be provided for the Duncan-Victoria Express transit pilot service to maximize travel opportunities in both directions;
2. That cash-only fares of \$10.00 per one-way trip be implemented for the Duncan-Victoria Saturday Express transit pilot service; and
3. That the Duncan-Victoria Saturday Express transit pilot service use the same routing and bus stops as the Duncan Commuter Route 66.

On July 12, 2017, the Board approved two items for clarification related to the new Saturday service:

1. Children under the age of 4 years can ride for free which is consistent with existing fare policy on local and Commuter routes; and

2. That the service use the same general routing as the Duncan Commuter Route 66 with the modification to add the Duncan Train Station area and to remove the Koksilah bus stop.

On July 12, 2017, staff advised the Transit Committee that the new implementation date for the Saturday service would be October 14, 2017.

On July 12, 2017, the Board also approved the Annual Operating Agreement with BC Transit for 12 months commencing April 1, 2017. This agreement includes the budgeted revenues and expenditures for the upcoming year, but it does not include the Saturday Service commencing in the fall 2017. As such, the new service needs to be added to the agreement by way of an amendment.

ANALYSIS

The amended AOA with BC Transit effective October 14, 2017, contains the prorated amount of the approved 500 annual service hours and corresponding costs pertaining to the new Saturday service. The hours and costs included in the AOA are prorated for the BC Transit year (April 1, 2017 – March 31, 2018). Staff have reviewed the amended AOA and recommend that the Board approve the amended agreement.

FINANCIAL CONSIDERATIONS

The estimated revenue and costs for the new Saturday service starting in October 2017 are included in the 2017 and draft 2018 Function 106 commuter budgets.

COMMUNICATION CONSIDERATIONS

Upon Board approval, the signed amended agreement will be provided to BC Transit.

STRATEGIC/BUSINESS PLAN CONSIDERATIONS

This report supports working towards sound fiscal management and implementation of the 25 year Transit Future Plan, as well as the service excellence by providing Board members with updated information.

Referred to (upon completion):

- Community Services (*Island Savings Centre, Cowichan Lake Recreation, South Cowichan Recreation, Arts & Culture, Public Safety, Facilities & Transit*)
- Corporate Services (*Finance, Human Resources, Legislative Services, Information Technology*)
- Engineering Services (*Environmental Services, Capital Projects, Water Management, Recycling & Waste Management*)
- Planning & Development Services (*Community & Regional Planning, Development Services, Inspection & Enforcement, Economic Development, Parks & Trails*)
- Strategic Services

Prepared by:



Jim Wakeham
Manager

Reviewed by:

Not Applicable
Not Applicable



John Elzinga
General Manager

ATTACHMENTS:

Attachment A – October 2, 2017 Letter from BC Transit

Attachment B – Amendment #1 Annual Operating Agreement with BC Transit



Oct. 2, 2017

Jim Wakeham
Manager of Transit and Facilities
Cowichan Valley Regional District
175 Ingram Street
Duncan, BC
V9L 1N8

Dear Jim:

Subject: 2017/18 Cowichan Valley Transit Annual Operating Agreement (AOA) Amendment #1, effective October 14, 2017.

An amendment to the Cowichan Valley Transit Annual Operating Agreement will be forthcoming for your approval electronically. Effective October 14, 2017, this amendment reflects the Cowichan Valley Commuter transit service expansion of approximately 500 annual service hours which will provide Saturday service between the Cowichan Valley and Victoria as identified in the Transit Future Plan, and as approved by the CVRD Board on August 10, 2016, with some service revisions also approved on July 12, 2017. This service is completely funded by the CVRD (not implemented in partnership with the VRTC) and, as such, the CVRD will receive 100% of fare revenue for this service.

The amendment includes:

- Schedule "B" – Service Specifications reflecting the increase in service hours for 17/18
- Schedule "C" – Budget reflecting costs relating to the increase in service hours

Once the agreement amendment has received approval from the Cowichan Valley Regional District Board, please return via electronic means for execution by BC Transit.

Please call if you have any questions regarding this amendment.

A handwritten signature in black ink that reads "M. Moore".

Myrna Moore
Senior Regional Transit Manager
Vancouver Island Coastal
BC Transit

COWICHAN VALLEY

ANNUAL OPERATING AGREEMENT

between

THE COWICHAN VALLEY REGIONAL DISTRICT

and

BRITISH COLUMBIA TRANSIT

Effective

April 1, 2017

Amendment #1 Effective October 14, 2017

INFORMATION CONTAINED IN THIS AGREEMENT IS SUBJECT TO THE FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY ACT. CONSULT WITH THE AUTHORITY PRIOR TO RELEASING INFORMATION TO INDIVIDUALS OR COMPANIES OTHER THAN THOSE WHO ARE PARTY TO THIS AGREEMENT.

ANNUAL OPERATING AGREEMENT

BETWEEN:

THE COWICHAN VALLEY REGIONAL DISTRICT

(the "Municipality")

AND:

BRITISH COLUMBIA TRANSIT

(the "Authority")

WHEREAS the Authority is authorized to contract for transit services for the purpose of providing and maintaining those services and facilities necessary for the establishment, maintenance and operation of a public passenger transportation system in the Transit Service Area;

WHEREAS the Municipality is authorized to enter into one or more agreements with the Authority for transit services in the Transit Service Area;

WHEREAS the parties hereto have entered into a Transit Service Agreement which sets out the general rights and responsibilities of the parties hereto;

WHEREAS the Municipality and the Authority are authorized to share in the costs for the provision of a Public Passenger Transportation System pursuant to the *British Columbia Transit Act*; and,

AND WHEREAS the parties hereto wish to enter into an Annual Operating Agreement which sets out, together with the Transit Service Agreement, the specific terms and conditions for the Public Passenger Transportation System for the upcoming term.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises and of the covenants hereinafter contained, the parties covenant and agree with each other as follows:

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SECTION 1: DEFINITIONS

Unless agreed otherwise in the Annual Operating Agreement, the definitions set out in the Transit Service Agreement shall apply to this Annual Operating Agreement including:

- a) "Annual Operating Agreement" shall mean this Annual Operating Agreement and any Annual Operating Agreement Amendments negotiated and entered into by the parties subsequent hereto; and,
- b) "Transit Service Agreement" shall mean the Transit Service Agreement between the parties to this Annual Operating Agreement, including any amendments made thereto.

SECTION 2: INCORPORATION OF SCHEDULES

All schedules to this agreement are incorporated into the agreement, and form part of the agreement.

SECTION 3: INCORPORATION OF TRANSIT SERVICE AGREEMENT

Upon execution, this Annual Operating Agreement shall be deemed integrated into the Transit Service Agreement and thereafter the Transit Service Agreement and Annual Operating Agreement shall be read together as a single integrated document and shall be deemed to be the Annual Operating Agreement for the purposes of the *British Columbia Transit Act*, as amended from time to time.

SECTION 4: TERM AND RENEWAL

- a) The parties agree that the effective date of this agreement is to be October 14, 2017, whether or not the agreements have been fully executed by the necessary parties. Once this agreement and the associated Transit Service Agreement are duly executed, this agreement and the associated Transit Service Agreement will replace all provisions in the existing Transit Service Agreement and Master Operating Agreement with respect to the rights and obligations as between the Authority and the Municipality.
- b) Upon commencement in accordance with Section 4(a) of this agreement, the term of this agreement shall be to March 31, 2018 except as otherwise provided herein. It is acknowledged by the parties that in the event of termination or non-renewal of the Annual Operating Agreement, the Transit Service Agreement shall likewise be so terminated or not renewed, as the case may be.
- c) Either party may terminate this agreement as follows:
 - a. Cancellation by the Authority: In the event that the Authority decides to terminate this Agreement for any reason whatsoever, the Authority shall provide at least one hundred and eighty (180) days prior written notice. Such notice to be provided in accordance with Section 10.
 - b. Cancellation by the Municipality: In the event that the Municipality decides to terminate this Transit Service Agreement for any reason whatsoever, and by extension the Annual Operating Agreement, the Municipality shall provide at least one hundred and eighty (180) days prior written notice. Such notice to be provided in accordance with Section 10.

SECTION 5: FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY ACT

This Agreement and the parties hereto are subject to the provisions of the *Freedom Of Information And Protection Of Privacy Act* ("FOIPPA"). Any information developed in the performance of this Agreement, or any personal information obtained, collected, stored pursuant to this Agreement, including database information, shall be deemed confidential and subject to the provisions of the FOIPPA including the handling, storage, access and security of such information. Confidential information shall not be disclosed to any third party except as expressly permitted by the Authority or pursuant to the requirements of the FOIPPA.

SECTION 6: SETTLEMENT OF DISPUTES

In the event of any dispute arising between or among the parties as to their respective rights and obligations under this Agreement, or in the event of a breach of this Agreement, the parties agree to use their best efforts to find resolution through a mediated settlement. However, in the event that mediation is not successful in finding a resolution satisfactory to all parties involved, any party shall be entitled to give to the other notice of such dispute and to request arbitration thereof; and the parties may, with respect to the particular matter then in dispute, agree to submit the same to a single arbitrator in accordance with the applicable statutes of the Province of British Columbia.

SECTION 7: MISCELLANEOUS PROVISIONS

- a) Amendment: This agreement may only be amended in writing signed by the Municipality and the Authority and specifying the effective date of the amendment.
- b) Assignment: This Agreement shall not be assignable without prior written consent of the parties.
- c) Enurement: This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors.
- d) Operating Reserve Fund: In accordance with OIC 594, in fiscal year 2015/16, the Authority established a Reserve Fund to record, for each local government, the contributions that the Authority has received but has not yet earned.
 - a. The Authority will invoice and collect on monthly Municipal invoices based on budgeted Eligible Expenses.
 - b. Any expenditure of monies from the Reserve Fund will only be credited towards Eligible Expenses for the location for which it was collected.
 - c. Eligible Expenses are comprised of the following costs of providing Public Passenger Transportation Systems:
 - i. *For Conventional Transit Service:*
 1. the operating costs incurred in providing Conventional Transit Service excluding interest and amortization;
 2. the amount of any operating lease costs incurred by the Authority for Conventional Transit Services;
 3. the amount of the municipal administration charge not exceeding 2% of the direct operating costs payable under an Annual Operating Agreement; and,
 4. an amount of the annual operating costs of the Authority not exceeding 8% of the direct operating costs payable under an Annual Operating Agreement.
 - ii. *For Custom Transit Service:*
 1. the operating costs incurred in providing Custom Transit Service excluding interest and amortization, but including the amount paid by the Authority to redeem taxi saver coupons issued under the

- Taxi Saver Program after deducting from that amount the amount realized from the sale of those coupons;
2. the amount of any operating lease costs incurred by the Authority for Custom Transit Service;
 3. the amount of the municipal administration charge not exceeding 2% of the direct operating costs payable under an Annual Operating Agreement; and,
 4. an amount of the annual operating costs of the Authority not exceeding 8% of the direct operating costs payable under an Annual Operating Agreement.
- d. Eligible Expenses exclude the costs of providing third-party 100%-funded services.
 - e. The Authority will provide an annual statement of account of the reserves received and utilized, including any interest earned for each local government.
- e) The parties agree that this agreement is in substantial compliance with all relevant legislative requirements to establish the rights and obligations of the parties as set out in the *British Columbia Transit Act*.
- f) The Authority acknowledges receipt of a copy of that certain Community Transit Partnership Agreement between the Municipality and the Halalt First Nation (the "Partner") effective October 2014. The Authority hereby provides written consent for the Municipality to enter into the Community Transit Partnership Agreement; provided, however, that:
- a. In the event the Partner provides one years' notice of its intention to terminate the Community Transit Partnership Agreement, the Municipality will immediately notify the Authority in writing of such termination;
 - b. In the event the Partner provides the Municipality with a payment in lieu of providing notice of termination pursuant to Section 4 of the Community Transit Partnership Agreement, the Municipality will immediately forward to the Authority the full amount of such payment, without setoff whatsoever; and,
 - c. In the event the Partner provides the Municipality with payment in accordance with the subsection above, and the Municipality fails or neglects to forward such payment to the Authority, the Authority shall have the right to include such amount in its monthly invoice to the Municipality for immediate payment by the Municipality.

SECTION 8: GOVERNING LAW

This Agreement is governed by and shall be construed in accordance with the laws of the Province of British Columbia, with respect to those matters within provincial jurisdiction, and in accordance with the laws of Canada with respect to those matters within the jurisdiction of the government of Canada.

SECTION 9: COUNTERPARTS

This contract and any amendment hereto may be executed in counterparts, each of which shall be deemed to be an original and all of which shall be considered to be one and the same contract. A signed facsimile or pdf copy of this contract, or any amendment, shall be effective and valid proof of execution and delivery.

SECTION 10: NOTICES AND COMMUNICATIONS

All notices, claims and communications required or permitted to be given hereunder shall be in writing and shall be sufficiently given if personally delivered to a designated officer of the parties hereto to whom it is addressed or if mailed by prepaid registered mail to the Authority at:

BRITISH COLUMBIA TRANSIT
c/o President & CEO
P.O. Box 610
520 Gorge Road East
Victoria, British Columbia V8W 2P3

and to the Municipality at:

Cowichan Valley Regional District
Manager of Transit and Facilities
175 Ingram Street
Duncan, BC V9L 1N8

and, if so mailed, shall be deemed to have been received five (5) days following the date of such mailing.

Amendment #1
Cowichan Valley
2017/18 Annual Operating Agreement

This will confirm our agreement to amend Schedule B – Service Specifications and Schedule C – Budget.

IN WITNESS WHEREOF, the parties have hereunto set their hand this ____ day of _____,
20____.

THE COWICHAN VALLEY REGIONAL DISTRICT

BRITISH COLUMBIA TRANSIT

Brian Anderson, Chief Operating Officer
BC TRANSIT

Alan Thomas, Chief Financial Officer
BC TRANSIT

SCHEDULE "A": TARIFF AND FARES

Appendix 1: Tariff Notes

No additional notes required. See Appendix 2 for details.

Appendix 2: Tariff and Fares

Tariffs and Fares for Transit Service Area - THE COWICHAN VALLEY REGIONAL DISTRICT

Cowichan Valley Conventional Transit Service and Youbou Transit Service:

Fares:

Effective October 1, 2014

- a) Single Cash Fares:
 - i) Adult \$2.00
 - ii) Senior \$2.00
 - iii) Student \$2.00
 - iv) Child (under 5 years) Free when accompanied by an adult.
- b) Tickets: BOOK OF 10
 - i) Adult \$18.00
 - ii) Senior \$15.00
 - iii) Student \$15.00
- c) Day Pass:
 - i) Adult \$4.00
 - ii) Senior \$4.00
 - iii) Student \$4.00
- d) Monthly Pass
 - i) Adult \$48.00
 - ii) Senior \$36.00
 - iii) Student \$36.00
- e) Semester Pass (4 months) \$115.00
- f) BC Bus Pass valid for the current calendar year and available through the Government of British Columbia BC Bus Pass Program.
- g) CNIB Identification Card available from the local office of the CNIB.
- h) BC Transit Employee Bus Pass

Cowichan Valley Commuter Service:

a) Fares

Effective October 1, 2014 (Weekday Service)

	Cash (one way)	Tickets (sheet of 10)	Monthly Pass Zone A	Monthly Pass Zone B
All passengers	\$8.00	\$72.00	\$192.00	\$232.00

Child, 4 or under free

Zone A: Valid on Cowichan Valley Commuter Service and Cowichan Valley Regional Transit System.

Zone B: Valid on Cowichan Valley Commuter Service, Cowichan Valley Regional Transit and Victoria Regional Transit Systems.

Effective October 14, 2017 (Saturday Service)

	Cash (one way)	Tickets (sheet of 10)	Monthly Pass Zone A	Monthly Pass Zone B
All passengers	\$10.00	N/A	N/A	N/A

Child, 4 or under free

- b) BC Bus Pass valid for the current calendar year and available through the Ministry of Housing and Social Development.
- c) CNIB Pass available from the local office of the CNIB.
- d) BC Transit Employee Bus Pass

Cowichan Valley Custom Service:

Fares:

- a) handyDART Fares
Effective October 1, 2014

One-way fare:	
Registered User	\$2.00
Companion	\$2.00
Attendant required for travel	Free
Sheet of five tickets	\$10.00

Note: Visitors may register for temporary handyDART service. Proof of registration in another jurisdiction or proof of eligibility is required.

SCHEDULE "B": SERVICE SPECIFICATIONS

Cowichan Valley Conventional and Youbou Service

Effective April 1, 2017

The Local Transit Service Area for Cowichan Valley Conventional Service shall include the City of Duncan, Town of Ladysmith, Town of Lake Cowichan, District of North Cowichan, and Electoral Areas A – Mill Bay/Malahat, B – Shawnigan Lake, C – Cobble Hill, D – Cowichan Bay, E – Cowichan Station/ Sahtlam/ Glenora, F – Cowichan Lake South/Skutz Falls, and I – Youbou/Meade Creek.

The Annual Service Level for Cowichan Valley Conventional Service shall be 30,200 Revenue Service Hours

The Annual Service Level for Cowichan Conventional Youbou Service shall be 3,500 Revenue Service Hours

The Exception Days recognized annually for Cowichan Valley Conventional Service are:

Exception Day	Service Level
Good Friday	Sunday Service
Easter Monday	Sunday Service
Victoria Day	Sunday Service
Canada Day	Sunday Service
Canada Day (for July 1, 2017 only)	Saturday Service
BC Day	Sunday Service
Labour Day	Sunday Service
Thanksgiving Day	Sunday Service
Remembrance Day	Sunday Service
Christmas Day	No Service
Boxing Day	Saturday Service
New Years Day	Sunday Service
Family Day	Sunday Service

The Exception Days recognized annually for Cowichan Valley Youbou Service are:

Exception Day	Service Level
Good Friday	No Service
Easter Monday	No Service
Victoria Day	No Service
Canada Day	Sunday Service
Canada Day (for July 1, 2017 only)	Saturday Service
BC Day	No Service
Labour Day	No Service
Thanksgiving Day	No Service
Remembrance Day	No Service
Christmas Day	No Service
Boxing Day	No Service
New Years Day	No Service
Family Day	No Service

Cowichan Commuter Service

Effective October 14, 2017

The Local Transit Service Area for Cowichan Valley Commuter Service shall be the Cowichan Valley Commuter Service shall include the City of Duncan, Town of Lake Cowichan, District of North Cowichan, and Electoral Areas A – Mill Bay/Malahat, B – Shawnigan Lake, C – Cobble Hill, D – Cowichan Bay, E – Cowichan Station/Sahtlam/Glenora, F – Cowichan Lake South/Skutz Falls, and I – Youbou/Meade Creek

The Annual Service Level for Cowichan Valley Commuter Service shall be 4,700 Revenue Service Hours

The Exception Days recognized annually for Cowichan Valley Commuter Service are:

Exception Day	Service Level
Good Friday	No Service
Easter Monday	No Service
Victoria Day	No Service
Canada Day	No Service
BC Day	No Service
Labour Day	No Service
Thanksgiving Day	No Service
Remembrance Day	No Service
Christmas Day	No Service
Boxing Day	No Service
New Years Day	No Service
Family Day	No Service

Cowichan Valley Custom Service

Effective April 1, 2017

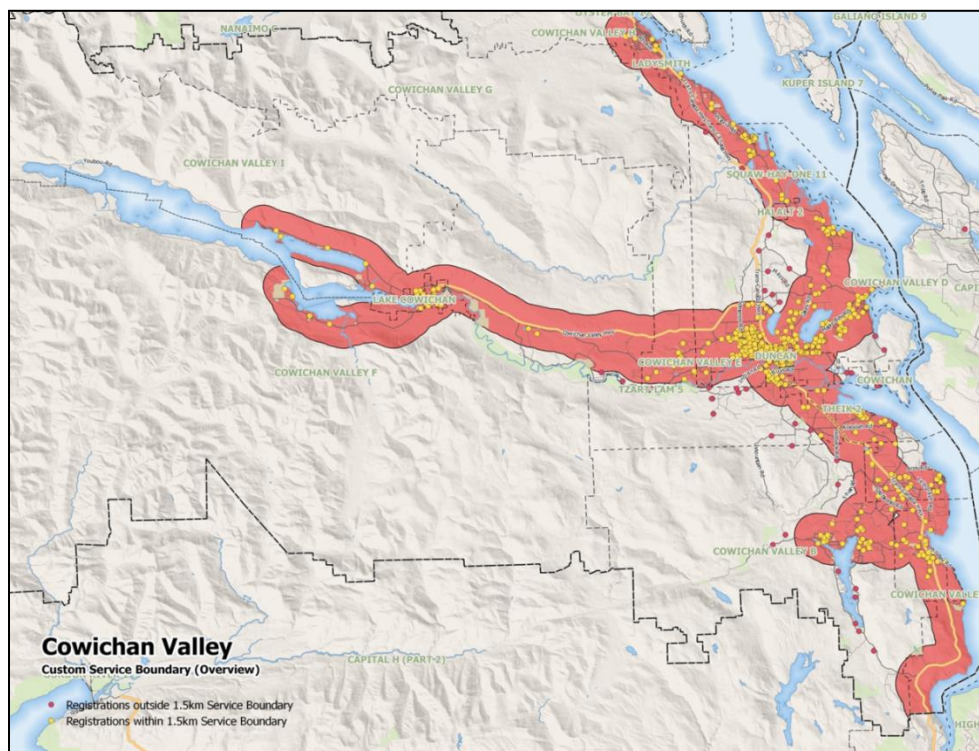
The Local Transit Service Area for Cowichan Valley Custom Service shall be the corporate boundaries of the Cowichan Valley Regional District (CVRD), with the specific service areas being defined by the CVRD. Not all areas within the corporate boundaries of the Cowichan Valley Regional District are serviced, as they are not partners in the actual CVRD transit bylaw function. For the purpose of delivering custom transit service, the custom transit service area is defined in Figure A. For all those who register for custom transit service after May 31, 2016, all pick-up and drop-off locations must be within the specified service area boundary. Any future extensions in fixed-route service will require review of the custom transit service area.

The Annual Service Level for Cowichan Valley Custom Service shall be 9,750 Revenue Service Hours

The Exception Days recognized annually for Cowichan Valley Custom Service are:

Exception Day	Service Level
Good Friday	No Service
Easter Monday	No Service
Victoria Day	No Service
Canada Day	Saturday Service
BC Day	No Service
Labour Day	No Service
Thanksgiving Day	No Service
Remembrance Day	Saturday Service
Christmas Day	No Service
Boxing Day	No Service
New Years Day	No Service
Family Day	No Service

Figure A



SCHEDULE “C”: BUDGET

Cowichan Valley Conventional Transit

	Base Budget 2017/2018
Total Revenue	\$505,728
Total Direct Operating Costs	\$2,785,963
Total Operating Costs	\$3,045,269
Total Costs (including Local Government Share of Lease Fees)	\$3,538,165
Net Local Government Share of Costs	\$1,501,250

Yubou Conventional Transit

	Base Budget 2017/2018
Total Revenue	\$13,623
Total Direct Operating Costs	\$217,346
Total Operating Costs	\$238,888
Total Costs (including Local Government Share of Lease Fees)	\$321,129
Net Local Government Share of Costs	\$192,187

Cowichan Valley Commuter Transit

	Official AOA Amendment #1 2017/2018
Total Revenue	\$485,104
Total Direct Operating Costs	\$1,034,225
Total Operating Costs	\$1,127,436
Total Costs (including Local Government Share of Lease Fees)	\$1,147,790
Net Local Government Share of Costs	\$102,986

Cowichan Valley Custom Custom Transit

	Base Budget 2017/2018
Total Revenue	\$38,722
Total Direct Operating Costs	\$672,120
Total Operating Costs	\$715,426
Total Costs (including Local Government Share of Lease Fees)	\$817,654
Net Local Government Share of Costs	\$286,400



STAFF REPORT TO COMMITTEE

DATE OF REPORT October 2, 2017
MEETING TYPE & DATE Transit Committee of November 8, 2017
FROM: Facilities & Transit Division
 Community Services Department
SUBJECT: Outstanding Bad Debt
FILE:

PURPOSE/INTRODUCTION

The purpose of this report is to inform the Committee of an outstanding Transit Receivable that has become uncollectable.

RECOMMENDED RESOLUTION

That it be recommended to the Board:

That the \$145.35 outstanding debt of Bruce Brothers Foods Limited be written off.

BACKGROUND

Chemainus Foods became a transit vendor outlet selling transit passes and tickets in 2014. On January 4, 2016, the CVRD was formally notified that Bruce Brothers Foods Ltd. (Chemainus Foods) had gone into receivership and that Hayes McNeill & Partners Ltd. had become the Receiver Manager for all property of the company. The CVRD filed the necessary Reclamation of Property and Proof of Claim paperwork on February 26, 2016, for return of unsold tickets and passes and for the \$145.35 sum owed from products sold at the store but not paid to CVRD.

ANALYSIS

The unsold tickets and passes were returned to the CVRD in February 2016 but the \$145.35 sum owed has not been provided. Given the small nature of this debt and the CVRD success rate of 2% when sending debts to collection, it is recommended this debt be written off.

FINANCIAL CONSIDERATIONS

The \$145.35 would be charged to Function 107 in 2017, thereby reducing the revenue.

COMMUNICATION CONSIDERATIONS

N/A

STRATEGIC/BUSINESS PLAN CONSIDERATIONS

N/A

Referred to (upon completion):

- Community Services *(Island Savings Centre, Cowichan Lake Recreation, South Cowichan Recreation, Arts & Culture, Public Safety, Facilities & Transit)*
- Corporate Services *(Finance, Human Resources, Legislative Services, Information Technology, Procurement)*
- Engineering Services *(Environmental Services, Recycling & Waste Management, Water Management)*
- Land Use Services *(Community Planning, Development Services, Inspection & Enforcement, Economic Development, Parks & Trails)*
- Strategic Services

Prepared by:



Erin Annis
Transit Analyst

Reviewed by:



Jim Wakeham
Manager



John Elzinga
General Manager

ATTACHMENTS:



STAFF REPORT TO COMMITTEE

DATE OF REPORT October 30, 2017
MEETING TYPE & DATE Transit Committee of November 8, 2017
FROM: Facilities & Transit Division
 Community Services Department
SUBJECT: 2018 Transit Promotions and Complimentary Pass Programs
FILE:

PURPOSE/INTRODUCTION

The purpose of this report is to seek approval for transit promotions and complimentary pass programs in 2018 that are not covered under the Free Transit Policy adopted in 2016.

RECOMMENDED RESOLUTION

That it be recommended to the Board:

1. That BC Transit's GradPASS program which offers Grade 12 students in the CVRD region day passes to ride the local bus service for two free days in June 2018 be approved;
2. That the School's Out Transit Special offering free transit to all youth in the K-12 system in Cowichan Valley between June 29 and July 6, 2018, be approved; and
3. That the complimentary bus pass program for refugees be updated for 2018 to provide up to 20 complimentary monthly passes per month for new-entry refugees settling in the Cowichan Valley between January 1 to December 31, 2018.

BACKGROUND

In accordance with the Cowichan Valley Transit Future Plan vision to grow ridership, the CVRD has done some new promotions to enhance interest and awareness in transit. These are summarized below.

Free Swim or Gym:

In September 2016, the CVRD together with the Municipality of North Cowichan, the Town of Ladysmith, and BC Transit launched a Free Swim or Skate campaign at six recreation facilities when customers brought in their previous month's Cowichan Valley bus pass. The campaign was updated in March 2017 to offer Free Swim or Gym for the remainder of 2017. With the ice removed from local arenas in March, it was an opportunity to refresh the campaign with a new fitness component. The free offer also applies to drop-in programs and roller skating at CVRD facilities which do not have fitness/gym centres. The campaign was approved to run until December 31, 2017. In the analysis section, this report provides an update on redemption rates and recommendations for the future of this promotion.

GradPASS:

The GradPASS program was first developed in 1988 in Vancouver through Counterattack, BC Transit, and the school boards. Since 2014, the Cowichan Valley has participated in this program with several other provincial communities. In 2016 and 2017 efforts were made to increase youth awareness about local transit routes and services by offering education sessions to students in May prior to distributing a GradPASS. The GradPASS redemption rates showed improvement and this is discussed below.

School's Out Transit Special:

This promotion, offering free transit to all K-12 students in the Cowichan Valley, was first done in 2016 for a five day period following the end of the school year (June 27-July 1). It was continued in 2017 for an eight day period (June 30-July 7). Below this report discusses how many students took advantage of the promotion.

Complimentary Passes for Refugees Program:

In May 2016, the CVRD approved a new program to provide up to 20 complimentary monthly transit passes to support the transition of refugees in the Cowichan Valley region regardless of their country of origin. In August 2016, this program was updated to increase the quantity of complimentary monthly passes available to 50 based on additional student and senior pass needs. This program was renewed in March 2017 and currently expires December 31, 2017. This report provides an update on recent use of the program, forecast needs for 2018, and recommendations for changes.

2018 BC Summer Games free transit fares:

On August 12, 2012, the CVRD board approved that cash fares on the conventional and handyDART systems be reduced to zero for the 4 event days, if Cowichan is successful in their bid to host the 2016 or 2018 BC Summer games.

With Cowichan being awarded the 2018 BC Summer Games, cash fares on the local and handyDART systems will be zero for the 4 days July 19-22, 2018. The reduction in fares is not applicable to the Commuter service.

ANALYSIS

Free Swim or Gym: Free Swim or Skate redemption rates reported between September 2016 to March 2017 were quite low at 33 participants. The highest redemption rates were at the Cowichan Aquatic Centre (25 of 33 passes). Free Swim or Gym redemption rates from April to September 2017 have remained low at only 15 participants. This promotion is not recommended for continuation in 2018 given that it has not been highly successful in 2016/17 despite marketing in the recreation guides, online, and at local bus stops.

GradPASS:

Based on figures provided by BC Transit, 2017 redemption rates for the GradPASS in the Cowichan Valley were nearly 20%, exceeding the provincial average of 12%. GradPASS is a very low cost initiative (\$185 CVRD cost to market and produce passes) and is a means to encourage youth to try transit. It is recommended that this promotion be continued in 2018 and that it continue to focus on the opportunity to use transit after graduation for accessing employment and post-secondary education.

School's Out Transit Special Promotion:

In 2016, 269 youth used the free transit promotion offered during the five day period from June 27 to July 1, a daily average of 54 students. In 2017, the participants more than doubled with 566 youth who used the promotion over the eight day period, a daily average of 71 students. The CVRD and BC Transit expanded the outreach campaign to include distribution of materials about this promotion in summer camp materials produced by the Cowichan Aquatic Centre at no extra cost, as well as including this information in CVRD recreation newsletters and TV monitors in the Island Savings Centre. It is recommended this campaign be continued in 2018 for an eight day period as a way to continue to encourage youth to try out local bus routes.

Complimentary Passes for Refugees Program

The complimentary bus passes for refugees program was renewed in March 2017 to continue providing up to 50 monthly passes per month to refugees until December 31, 2017. The priority for these passes was on new entry refugees settling in the Cowichan Valley between April and December 2017 first, but existing refugee families accessing the bus pass program in 2016, and still requiring transportation assistance, could also obtain passes as long as these could be accommodated within the 50 monthly pass allotment. Review of 2017 statistics shows that on average, 21 complimentary passes were distributed to refugees by the Cowichan Intercultural Society (CIS) as the program administrator. Of these 21 passes, five passes (four adult and one student/senior) were provided to new entry refugees settling in the Cowichan Valley between April to December 2017 with the remainder going to families accessing the passes since 2016.

Recent discussion with CIS confirms that they do not expect any more government sponsored families in 2018. CIS estimates there could be up to four new privately sponsored families coming to the Cowichan Valley in 2018. The only other region currently offering a similar program is Victoria. Discussions with BC Transit confirm that they expect to renew the program in 2018 with access limited to new-entry refugees only, as was done in 2017.

Based on all of this information, it is recommended that the complimentary bus pass program for refugees in the Cowichan Valley be updated to provide up to 20 monthly passes with scope limited to new-entry refugees settling in the valley between January 1 to December 31, 2018.

FINANCIAL CONSIDERATIONS

Transit promotions identified take advantage of the marketing resources for ad design, production, and placement provided by BC Transit for the Cowichan Valley system under our cost sharing annual operating agreement. The CVRD's overall cost for these items is approximately \$2,400 and is included in the Contract For Services expense account within Function 107.

The approval of up to 20 complimentary bus passes per month for new entry refugees is not expected to impact revenues in the 2018 transit budget since these would be new riders.

The 2018 BC Summer Games 4 free days of zero transit cash fares will have an estimated impact on revenues of \$9,000. This amount has been incorporated in the 2018 conventional service budget function 107.

COMMUNICATION CONSIDERATIONS

Work with BC Transit for the production of updated communications materials (posters, ads, social media) and distribution, as well as communicating with the School Districts.

Communicate program changes to the Cowichan Intercultural Society as soon as possible regarding the complimentary bus pass program for refugees so they can update families accessing this program in 2017 and prepare for 2018.

Communicate with BC Transit to develop marketing and advertising campaigns for the free transit fares for the 2018 BC Summer Games event days.

STRATEGIC/BUSINESS PLAN CONSIDERATIONS

These promotions support the Response to Climate Change component of the Strategic Plan as well as the Engaging our Communities component.

Referred to (upon completion):

- Community Services (*Island Savings Centre, Cowichan Lake Recreation, South Cowichan Recreation, Arts & Culture, Public Safety, Facilities & Transit*)

- Corporate Services (*Finance, Human Resources, Legislative Services, Information Technology, Procurement*)
- Engineering Services (*Environmental Services, Recycling & Waste Management, Water Management*)
- Land Use Services (*Community Planning, Development Services, Inspection & Enforcement, Economic Development, Parks & Trails*)
- Strategic Services

Prepared by:



Erin Annis
Transit Analyst

Reviewed by:



Jim Wakeham
Manager



John Elzinga
General Manager

ATTACHMENTS:

Attachment A – Letter from the Cowichan Intercultural Society

Kerry Davis
Chair, CVRD Transit Committee
Cowichan Valley Regional District
175 Ingram Street, Duncan, V9L 1N8

October 25, 2017

Dear Mr. Davis:

I spoke on the phone this morning with Erin Annis, CVRD transit analyst, as she is reviewing our use of the complimentary bus pass program in preparation for your upcoming transit committee meeting.

We have had 2 new Syrian refugee families arrive since the program was last reviewed in March of this year and both are making use of the bus pass program (4 adult passes, 1 student). We do not anticipate any more government assisted refugees arriving in our community in 2018 but there are 4 private sponsorship groups that have paperwork for their families in the system – it is, however, difficult to know when they will be admitted to Canada. When they do come it is likely that they will rely on public transit for the first year.

For those clients who have been accessing the program since it began, it continues to make a difference in their lives. There is one family of 7 (including a 6 month old baby) where no one has a driver's license. The husband continues to attend English classes and they use the bus to get to all appointments and recreational activities. For others, the husband has a job (low paying) and the wife takes the bus to get to English class.

These clients, and the Cowichan Intercultural Society, very much appreciate that the CVRD has allowed ongoing access to the complimentary bus pass program after the anticipated one year of support expired. We understand that there does need to be a limit in the interest of fairness, but are hopeful that the CVRD will offer what support it can. Thank you again for all you have done to date.

Anne Matheson
Settlement and Language Assistant

where cultures connect



STAFF REPORT TO COMMITTEE

DATE OF REPORT October 31, 2017
MEETING TYPE & DATE Transit Committee of November 8, 2017
FROM: Facilities & Transit Division
 Community Services Department
SUBJECT: 2018 Budget Review – Function 106 Commuter Transit
FILE:

PURPOSE/INTRODUCTION

The purpose of this report is to present the 2018 Budget for the Commuter Transit.

RECOMMENDED RESOLUTION

1. That the 2018 Budget for Function 106 Commuter Transit be amended to increase Provincial grant funding \$27,500 and increase bus stop maintenance expenditure \$27,500.
2. That the 2018 Budget for Function 106 be approved as amended.

BACKGROUND

The 2018 Budget Process and 2018 Budget Calendar were approved at the April 26, 2017, Board meeting. One new change to the process was the preparation of the 2018 Budget based exclusively on core expenses and presenting any proposed non-core expenses as supplemental items.

In keeping with this process, a draft budget was prepared for the Commuter Transit service based on core expenses and existing service levels which includes the October 14, 2017, new Saturday Service from Duncan to Victoria. There are no Supplemental requests. In addition, a comparative analysis worksheet was prepared contrasting the 2018 Draft Budget to the 2017 Amended Budget with an explanation of significant changes.

ANALYSIS

Core Budget

The proposed amendment to the 2018 Commuter Transit Budget to include the rolled over 2017 parking upgrade project of \$27,500 does not affect the 2018 Budget requisition as the added expense is offset by additional grant funding.

Overall, the Commuter Transit Requisition increased \$22,266 or 10.77% due to the following:

- BC Transit contract for service cost increased \$47,000 (15.02%) for the added cost of \$38,875 (excluding fare revenues) for the new Saturday service commencing October 14, 2017, and the added cost of \$8,125 for the bus time spent in the congestion on the Trans-Canada Highway.
- Allocation costs increased in multiple areas \$8,942 (16.14%).
- Fare revenues increased by \$18,000 (10.59%) as result of new revenues from the Saturday service of \$22,000, less a reduction of \$4,000 to reflect current weekday revenues.
- Contingency expense decreased \$14,034 (50.06%) to help limit the requisition increase.
- Various other expense accounts decreased (mainly consultants) a total \$1,542 (2%).

On September 13, 2017, the Board approved an amendment to the 2017 Commuter Transit Budget to include \$30,000 in Provincial grant funding and to increase the bus stop maintenance expense by \$30,000 for the parking improvements pertaining to Deloume Road to provide additional space for the Frayne Road park and ride. The 2017 Commuter Transit Budget is in the process of being amended to include the above \$30,000 transit parking improvement project.

Due to the Ministry of Transportation and Infrastructure project requirements and the short time frame available in 2017, it is expected that only about \$2,500 worth of surveying work will be completed in 2017, so the balance of the project needs to be rolled into the 2018 Budget.

Prior Year, One-Time Items

N/A

Supplemental Items

N/A

FINANCIAL CONSIDERATIONS

1. Requisition for the 2018 Commuter Transit Core Budget is proposed to increase \$22,266 (10.77%) which is an additional average of \$.19 per \$100,000 household. The increase ranges from \$.38 to \$.03 depending on the service area.
2. The five-year Commuter Transit financial plan includes the CVRD's estimated annual lease fee for the CVRD's share of the cost for the new transit maintenance facility scheduled to open in early 2019.
3. The five-year Commuter Transit financial plan includes the CVRD's estimated capital cost and the corresponding debt service costs pertaining to the land for the expanded park and ride in South Cowichan for 2020.

The Uncommitted Operating Reserve balance is \$237,829, May 31, 2017.

COMMUNICATION CONSIDERATIONS

N/A

STRATEGIC/BUSINESS PLAN CONSIDERATIONS

This budget process will improve the financial planning process and supporting information to promote greater awareness of and confidence in the CVRD five-year financial plan as per 3.3 of the CVRD's Regional Strategic Focus Areas.

Referred to (upon completion):

- Community Services *(Island Savings Centre, Cowichan Lake Recreation, South Cowichan Recreation, Arts & Culture, Public Safety, Facilities & Transit)*
- Corporate Services *(Finance, Human Resources, Legislative Services, Information Technology, Procurement)*
- Engineering Services *(Environmental Services, Recycling & Waste Management, Water Management)*
- Land Use Services *(Community & Regional Planning, Development Services, Inspection & Enforcement, Economic Development, Parks & Trails)*
- Strategic Services

Prepared by:



Jim Wakeham
Manager

Reviewed by:

Not Applicable
Not Applicable



John Elzinga
General Manager

ATTACHMENTS:

- Attachment A – Vadim Budget
- Attachment B – 5 Year Plan
- Attachment C – Year over Year Comparative Analysis

**Cowichan Valley Regional District
Budget Report by Cost Center**



Account Code : . . . To : . . .

Function Type : Selective

		GENERAL REVENUE FUND						
		106 - COMMUTER TRANSIT						
		2016	2016	2017	2017	2018		
		ACTUAL	AMEND BUDGET	ACTUAL	AMEND BUDGET	DRAFT BUDGET		
OPERATING REVI								
2000 GRANTS								
01-1-2000-2100	FEDERAL GRANTS IN LIEU	-70	-75	-47	-75	-75		
01-1-2000-2101	PROVINCIAL GRANTS IN LIEU	-194	-175	0	-175	-175		
Total GRANTS		-265	-250	-47	-250	-250	0	0
4500 RIDERSHIP REVENUE								
01-1-4500-4000	FARE BOX	-88,668	-80,000	-47,958	-98,500	-112,000		
01-1-4500-4001	TICKETS & DAY PASSES	-75,512	-82,500	-49,104	-87,000	-87,000		
01-1-4500-4002	MONTHLY PASSES	-313,912	-305,000	-188,344	-320,000	-325,000		
01-1-4500-4009	VICTORIA TRANSIT SHARE	241,900	233,750	122,011	248,500	249,000		
Total RIDERSHIP REVENUE		-236,191	-233,750	-163,396	-257,000	-275,000	0	0
7571 REQUISITION								
01-1-7571-0000	REQUISITION	-206,705	-206,705	-206,705	-206,705	-228,971		
Total REQUISITION		-206,705	-206,705	-206,705	-206,705	-228,971	0	0
7590 GRANT - B.C.T. - ADMIN.								
01-1-7590-0000	GRANT - B.C.T. - ADMIN.	-8,898	-8,500	-4,494	-9,000	-9,100		
Total GRANT - B.C.T. - ADMIN.		-8,898	-8,500	-4,494	-9,000	-9,100	0	0
Total OPERATING REVENUES		-452,058	-449,205	-374,641	-472,955	-513,321		
OPERATING EXPE								
7100 TRANSIT EXPEND								
01-2-7100-1101	SALARIES/FULL TIME REGULA	23,446	27,697	12,244	27,700	27,000		
01-2-7100-1400	BENEFITS	7,967	7,253	4,439	7,202	7,560		
01-2-7100-2110	CONFERENCES & SEMINARS	0	400	0	500	500		
01-2-7100-2113	BUS STOPS	11,998	6,000	1,520	6,000	6,000		
01-2-7100-2131	TELEPHONE	0	425	83	425	425		
01-2-7100-2320	LEGAL SERVICES	0	0	285	0	500		
01-2-7100-2330	CONSULTANTS	0	0	0	10,000	8,000		
01-2-7100-2338	CONTRACT FOR SERVICES	290,388	282,000	147,692	313,000	360,000		
01-2-7100-2372	INSURANCE DEDUCTIBLES	255	255	0	0	0		
01-2-7100-2450	R & M - BUS SHELTERS	2,576	4,000	2,084	4,000	3,500		
01-2-7100-2586	COMMISSIONS	18,889	19,000	11,113	19,500	20,400		
01-2-7100-4100	ALLOC - GENERAL GOVERNMENT	16,429	16,429	17,661	17,661	17,698		

Cowichan Valley Regional District
 Budget Report by Cost Center



Account Code : . . . To : . . .

Function Type : Selective

		GENERAL REVENUE FUND						
		106 - COMMUTER TRANSIT						
		2016	2016	2017	2017	2018		
		ACTUAL	AMEND BUDGET	ACTUAL	AMEND BUDGET	DRAFT BUDGET		
01-2-7100-4320	ALLOC - BUILDING COSTS	1,675	1,675	1,791	1,791	2,122		
01-2-7100-4520	ALLOC - GM COM SERVICES	10,505	10,505	11,170	11,170	14,025		
01-2-7100-4530	ALLOC - FACILITIES	21,325	21,325	21,516	21,516	25,701		
01-2-7100-4540	ALLOC - INFO TECHNOLOGY	1,116	1,116	1,250	1,250	2,820		
01-2-7100-4550	ALLOC - HUMAN RESOURCES	965	965	1,006	1,006	970		
01-2-7100-4590	ALLOC - ENG SERVICES	1,000	1,000	1,000	1,000	1,000		
01-2-7100-5110	SUNDRY EXPENSES	1,245	700	660	1,000	900		
01-2-7100-8150	BANK CHARGES	198	200	40	200	200		
01-2-7100-9910	CONTINGENCY	0	48,260	0	28,034	14,000		
Total TRANSIT EXPEND		409,977	449,205	235,534	472,955	513,321	0	0
Total OPERATING EXPENSES		409,977	449,205	235,534	472,955	513,321		
53	Surplus/Deficit	-42,061	0	-139,107	0	0		

**Cowichan Valley Regional District
Budget Report by Cost Center**

GL5260 Page : 3
Date : Aug 15, 2017 Time : 8:19am



Account Code : . . . To : . . .

Function Type : Selective

	2016 ACTUAL	2016 AMEND BUDGET	2017 ACTUAL	2017 AMEND BUDGET	2018 DRAFT BUDGET
Summary Total Revenues	-452,058	-449,205	-374,641	-472,955	-513,321
Summary Total Expenses	409,977	449,205	235,534	472,955	513,321
Summary Surplus/Deficit	-42,081	0	-139,107	0	0

COWICHAN VALLEY REGIONAL DISTRICT

2018-2022 FINANCIAL EXPENDITURE PROGRAM

Service: Commuter Transit

Function: 106

TOTAL EXPENDITURE	2017	2018	2019	2020	2021	2022
Operational Costs	\$472,955	\$513,321	\$646,413	\$760,431	\$775,640	\$791,153
Long Term Debt				28,283	68,109	68,109
Short Term Debt						
Capital				1,000,000		
Transfer to Capital Reserve						
TOTAL APPLICATION OF FUNDS	\$472,955	\$513,321	\$646,413	\$1,788,714	\$843,749	\$859,262
SOURCES OF FUNDS						
Requisition/Parcel Tax	206,705	228,971	299,063	410,631	444,976	459,989
User Fee	257,000	275,000	337,350	367,083	387,273	387,273
Transfer from Capital Reserve						
Other	9,250	9,350	10,000	11,000	11,500	12,000
Debt Proceeds				1,000,000		
Transfer from Operating Reserve						
Surplus/(Deficit)						
TOTAL SOURCE OF FUNDS	\$472,955	\$513,321	\$646,413	\$1,788,714	\$843,749	\$859,262

2018 Year over Year Comparative Analysis

Function: 106 - Commuter Transit

A) Core Budget

	<u>2017</u> <u>Requisition</u>	<u>Proposed</u> <u>2018</u> <u>Requisition</u>	<u>Requisition</u> <u>\$ Increase</u> <u>(Decrease)</u>	<u>Requisition</u> <u>% Increase</u> <u>(Decrease)</u>
	\$206,705	\$228,971	\$22,266	10.77%
Explanation of increase/decrease:				
Increased BC Transit cost for approved 500 hour expansion re Saturday service			38,875	18.81%
Increased fare revenue for Saturday service			(22,000)	-10.64%
Increased BC Transit cost for approved 200 hour expansion re congestion on TC highway			8,125	3.93%
Increased Allocations (mainly for added admin support person - \$7,040)			8,942	4.33%
Decreased fare revenue to reflect current revenues			3,900	1.89%
Decreased contingency by 50%			(14,034)	-6.79%
Decreased Other (aggregate of smaller, immaterial amounts)			(1,542)	-0.75%
		Subtotal section A	\$22,266	10.77%

B) Prior Year One-time Items

	<u>Requisition</u> <u>\$ Increase</u> <u>(Decrease)</u>	<u>Requisition</u> <u>% Increase</u> <u>(Decrease)</u>
None		
	Subtotal section B	\$0
		0.00%

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Subtotal sections A + B	\$22,266	10.77%
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C) Supplemental Items

	<u>2018</u>	<u>Cost</u>	<u>Requisition</u>	<u>Requisition</u> <u>% Increase</u>
None				
	Subtotal section C	\$0	\$0	0.00%

Subtotal sections A + B + C	\$22,266	10.77%
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Notes:

1) The Operating Reserve balance for this function as at December 31, 2017 is estimated to be \$237,829.



STAFF REPORT TO COMMITTEE

DATE OF REPORT October 31, 2017

MEETING TYPE & DATE Transit Committee of November 8, 2017

FROM: Facilities & Transit Division
Community Services Department

SUBJECT: 2018 Budget Review – Function 107 Transit

FILE:

PURPOSE/INTRODUCTION

The purpose of this report is to present the 2018 Budget for Transit.

RECOMMENDED RESOLUTION

1. That the 2018 Budget for Function 107 Transit be amended to reduce the BC Transit Contract for Service expense amount by \$20,000, and to reduce the tax requisition amount by \$20,000.
2. That the 2018 Budget for Function 107 be approved as amended.

BACKGROUND

The 2018 Budget Process and 2018 Budget Calendar were approved at the April 26, 2017, Board meeting. One new change to the process was the preparation of the 2018 Budget based exclusively on core expenses and presenting any proposed non-core expenses as supplemental items.

In keeping with this process, a draft budget was prepared for the Transit service based on core expenses and existing service levels with the exception of the preapproved 1,500 conventional service expansion commencing July 2, 2018. There are no Supplemental requests. In addition, a comparative analysis worksheet was prepared contrasting the 2018 Draft Budget to the 2017 Amended Budget with an explanation of significant changes.

ANALYSIS

Prior to the 2018 Budget amendment to reduce the BC Transit Contract for Service expense and the requisition amounts both by \$20,000, the overall Transit requisition increased \$63,826 or 2.73% due to the following:

Core Budget

BC Transit contract for service cost increased (excluding fare revenues) for the approved additional 1,500 hour local expansion originally anticipated to commence March 2018, \$62,500 (2.39%).

Allocation costs increased in multiple areas, \$22,017 (11.32%) with the main increase (\$13,315) resulting from the new administration support person for the General Manager of Community Services and the Manager of Facilities and Transit.

Fare revenues decreased overall by \$400 (.08%) as result of Board approved Free Transit for BC Summer Games, 4 days at \$9,000 and an estimated decrease of \$8,800 for the Provincial revenues from the BC Bus Pass program, however, fares are estimated to increase \$6,400 due to the July 2018, 1500 hour service expansion and \$11,000 to reflect current revenue trends.

Various minor expense accounts decreased while others increased including the bus stop maintenance, and a new cost for 2018 is legal to provide required services related to the new transit facility agreement, resulting in a total increase of \$2,909 (2.56%).

BC Transit bus advertising and grant revenue increased as per BC Transit projections of \$5,000 (5.88%).

Contingency decreased \$4,000 (.17%) to limit requisition increase.

Note: With the budget amendment including the reduction in the BC Transit Contract for Service expense by \$20,000 (.86%), the overall Transit Requisition will increase by \$63,826 - \$20,000 = \$43,826 (1.87%).

Prior Year, One-Time Items

Decreased summer student program cost, not utilizing in 2018 is \$15,000.

Supplemental Items

N/A

FINANCIAL CONSIDERATIONS

1. Requisition for the 2018 Transit Core Budget is proposed to increase \$63,826 (2.73%) which is an additional \$.40 per \$100,000 household.
2. With the budget amendment to include the reduction of the BC Transit Contract for Service expense by \$20,000 (.86%), the increase in the requisition for the 2018 Transit Budget would be \$43,826 (1.87%) which is an additional \$.28 per \$100,000 household.
3. The five-year Transit financial plan includes the CVRD's estimated annual lease fee for the CVRD's share of the cost for the new transit maintenance facility scheduled to open in early 2019.

The Uncommitted Operating Reserve balance is \$95,576, May 31, 2017.

COMMUNICATION CONSIDERATIONS

N/A

STRATEGIC/BUSINESS PLAN CONSIDERATIONS

This budget process will improve the financial planning process and supporting information to promote greater awareness of and confidence in the CVRD five-year financial plan as per 3.3 of the CVRD's Regional Strategic Focus Areas.

Referred to (upon completion):

- Community Services *(Island Savings Centre, Cowichan Lake Recreation, South Cowichan Recreation, Arts & Culture, Public Safety, Facilities & Transit)*
- Corporate Services *(Finance, Human Resources, Legislative Services, Information Technology, Procurement)*
- Engineering Services *(Environmental Services, Recycling & Waste Management, Water Management)*
- Land Use Services *(Community & Regional Planning, Development Services, Inspection & Enforcement, Economic Development, Parks & Trails)*
- Strategic Services

Prepared by:



Jim Wakeham
Manager

Reviewed by:

Not Applicable
Not Applicable



John Elzinga
General Manager

ATTACHMENTS:

- Attachment A – Vadim Budget
- Attachment B – 5 Year Plan
- Attachment C – Year over Year Comparative Analysis

Cowichan Valley Regional District
Budget Report by Cost Center



Account Code : -- - To : -- -

Function Type : Selective

		GENERAL REVENUE FUND 107 - TRANSIT						
		2016 ACTUAL	2016 AMEND BUDGET	2017 ACTUAL	2017 AMEND BUDGET	2018 DRAFT BUDGET		
OPERATING REVI								
2000 GRANTS								
01-1-2000-2100	FEDERAL GRANTS IN LIEU	-1,229	-1,000	-407	-1,000	-1,000		
01-1-2000-2101	PROVINCIAL GRANTS IN LIEU	-4,270	-3,500	0	-3,500	-4,000		
	Total GRANTS	-5,500	-4,500	-407	-4,500	-5,000	0	0
4433 RECOVERY OF COSTS								
01-1-4433-0000	GENERAL	-1,517	-2,000	-20,386	-2,000	-2,000		
	Total RECOVERY OF COSTS	-1,517	-2,000	-20,386	-2,000	-2,000	0	0
4500 RIDERSHIP REVENUE								
01-1-4500-4000	FARE BOX	-249,082	-272,000	-153,113	-240,000	-262,600		
01-1-4500-4001	TICKETS & DAY PASSES	-53,329	-64,000	-33,378	-70,000	-60,000		
01-1-4500-4002	MONTHLY PASSES	-91,789	-96,500	-52,787	-96,500	-95,000		
01-1-4500-4004	PASSES - BC BUS PASS PROG	-85,344	-82,000	-36,959	-83,800	-75,000		
01-1-4500-4006	HANDYDART	-39,790	-33,500	-22,148	-42,000	-39,300		
	Total RIDERSHIP REVENUE	-519,334	-548,000	-298,385	-532,300	-531,900	0	0
4520 ADVERTISING								
01-1-4520-0000	ADVERTISING	-26,516	-15,000	-13,822	-21,000	-25,000		
	Total ADVERTISING	-26,516	-15,000	-13,822	-21,000	-25,000	0	0
7571 REQUISITION								
01-1-7571-0000	REQUISITION	-2,247,053	-2,247,053	-2,337,811	-2,337,811	-2,401,637		
	Total REQUISITION	-2,247,053	-2,247,053	-2,337,811	-2,337,811	-2,401,637	0	0
7590 GRANT - B.C.T. - ADMIN.								
01-1-7590-0000	GRANT - B.C.T. - ADMIN.	-58,445	-59,500	-29,484	-59,500	-60,000		
	Total GRANT - B.C.T. - ADMIN.	-58,445	-59,500	-29,484	-59,500	-60,000	0	0
9120 TRANSFER FROM OPERATING RESERVE								
01-1-9120-0000	TSF FROM OPERATING RESEI	-52,480	-67,879	0	0	0		
	Total TRANSFER FROM OPERA'	-52,480	-67,879	0	0	0	0	0
	Total OPERATING REVENUES	-2,910,845	-2,943,932	-2,700,295	-2,957,111	-3,025,537		
OPERATING EXPE								
7100 TRANSIT EXPEND								
01-2-7100-1101	SALARIES/FULL TIME REGULA	50,548	56,097	33,090	56,100	54,000		

Cowichan Valley Regional District
Budget Report by Cost Center



Account Code : . . . To : . . .

Function Type : Selective

GENERAL REVENUE FUND
107 - TRANSIT

	2016 ACTUAL	2016 AMEND BUDGET	2017 ACTUAL	2017 AMEND BUDGET	2018 DRAFT BUDGET			
01-2-7100-1400	BENEFITS	17,220	14,585	12,692	14,586	15,120		
01-2-7100-2108	ARMOURED CAR SERVICE	3,330	4,700	1,956	3,500	3,500		
01-2-7100-2110	CONFERENCES & SEMINARS	0	800	733	900	900		
01-2-7100-2113	BUS STOPS	37,201	64,000	21,122	21,000	25,000		
01-2-7100-2131	TELEPHONE	0	825	169	825	800		
01-2-7100-2320	LEGAL SERVICES	0	0	265	0	1,000		
01-2-7100-2338	CONTRACT FOR SERVICES	2,586,372	2,570,000	1,302,662	2,615,000	2,677,500		
01-2-7100-2372	INSURANCE DEDUCTIBLES	1,743	1,743	0	0	0		
01-2-7100-2450	R & M - BUS SHELTERS	7,289	10,000	6,352	7,500	7,500		
01-2-7100-2586	COMMISSIONS	4,280	5,700	2,411	5,200	5,200		
01-2-7100-4100	ALLOC - GENERAL GOVERNMENT	112,305	112,305	120,320	120,320	125,235		
01-2-7100-4320	ALLOC - BUILDING COSTS	3,400	3,400	3,637	3,637	4,309		
01-2-7100-4520	ALLOC - GM COM SERVICES	10,505	10,505	11,170	11,170	14,025		
01-2-7100-4530	ALLOC - FACILITIES	53,313	53,313	53,792	53,792	64,252		
01-2-7100-4540	ALLOC - INFO TECHNOLOGY	2,266	2,266	2,538	2,538	5,726		
01-2-7100-4550	ALLOC - HUMAN RESOURCES	1,959	1,959	2,043	2,043	1,970		
01-2-7100-4590	ALLOC - ENG SERVICES	2,000	2,000	2,000	1,000	1,000		
01-2-7100-5110	SUNDRY EXPENSES	2,158	1,500	1,125	1,500	1,500		
01-2-7100-5121	MEETING EXPENSES	0	400	0	400	200		
01-2-7100-5122	PROMOTIONS	662	2,500	682	1,500	1,200		
01-2-7100-5530	ELECTRICITY	0	100	0	100	100		
01-2-7100-8150	BANK CHARGES	490	500	240	500	500		
01-2-7100-9910	CONTINGENCY	0	24,734	0	19,000	15,000		
Total TRANSIT EXPEND		2,897,042	2,943,932	1,578,999	2,942,111	3,025,537	0	0
7142 SUMMER STUDENT PROGRAM								
01-2-7142-1204	WAGES - HOURLY	0	0	11,762	12,000	0		
01-2-7142-1400	BENEFITS	0	0	1,253	3,000	0		
Total SUMMER STUDENT PROG		0	0	13,015	15,000	0	0	0
Total OPERATING EXPENSES		2,897,042	2,943,932	1,592,014	2,957,111	3,025,537		
Surplus/Deficit		-13,802	0	-1,108,281	0	0		

Cowichan Valley Regional District
Budget Report by Cost Center



Account Code : . . . To : . . .

Function Type : Selective

	2016 ACTUAL	2016 AMEND BUDGET	2017 ACTUAL	2017 AMEND BUDGET	2018 DRAFT BUDGET
Summary Total Revenues	-2,910,845	-2,943,932	-2,700,295	-2,957,111	-3,025,537
Summary Total Expenses	2,897,042	2,943,932	1,592,014	2,957,111	3,025,537
Summary Surplus/Deficit	-13,802	0	-1,108,281	0	0

COWICHAN VALLEY REGIONAL DISTRICT

2018-2022 FINANCIAL EXPENDITURE PROGRAM

Service: Transit

Function: 107

TOTAL EXPENDITURE	2017	2018	2019	2020	2021	2022
Operational Costs	\$2,957,111	\$3,025,537	\$3,180,079	\$3,291,952	\$3,357,791	\$3,484,617
Long Term Debt						
Short Term Debt						
Capital						
Transfer to Capital Reserve						
TOTAL APPLICATION OF FUNDS	\$2,957,111	\$3,025,537	\$3,180,079	\$3,291,952	\$3,357,791	\$3,484,617
SOURCES OF FUNDS						
Requisition/Parcel Tax	2,337,811	2,401,637	2,474,441	2,574,952	2,605,516	2,725,842
User Fee	534,300	533,900	600,638	605,000	638,275	642,775
Transfer from Capital Reserve						
Other	85,000	90,000	105,000	112,000	114,000	116,000
Debt Proceeds						
Transfer from Operating Reserve						
Surplus/(Deficit)						
TOTAL SOURCE OF FUNDS	\$2,957,111	\$3,025,537	\$3,180,079	\$3,291,952	\$3,357,791	\$3,484,617

2018 Year over Year Comparative Analysis

Function: 107 - Transit

A) Core Budget

	<u>2017</u> <u>Requisition</u>	<u>Proposed</u> <u>2018</u> <u>Requisition</u>	<u>Requisition</u> <u>\$ Increase</u> <u>(Decrease)</u>	<u>Requisition</u> <u>% Increase</u> <u>(Decrease)</u>
	\$2,337,811	\$2,401,637	\$63,826	2.73%
Explanation of increase/decrease:				
Increased BC Transit cost for approved 1,500 hour expansion for a few routes in March 2018			62,500	2.67%
Increased fare revenue for 1,500 hour expansion in March 2018			(10,600)	-0.45%
Increased Allocations (mainly for added admin support person - \$13,315, plus IT & General)			22,017	0.94%
Decreased fare revenue re Board approved "free transit" for BC Summer games (4 days)			9,000	0.38%
Decreased fare revenue re BC Bus pass to reflect current Provincial revenues received			8,800	0.38%
Increased other (aggregate of smaller, immaterial amounts)			2,909	0.12%
Increased fare revenue to reflect current revenues			(6,800)	-0.29%
Increase BC Transit advertising revenue and other minor revenue increases			(5,000)	-0.21%
Decreased contingency			(4,000)	-0.17%
		Subtotal section A	<u><u>\$78,826</u></u>	<u><u>3.37%</u></u>

B) Prior Year One-time Items

		<u>Requisition</u> <u>\$ Increase</u> <u>(Decrease)</u>	<u>Requisition</u> <u>% Increase</u> <u>(Decrease)</u>
64	Decreased Summer student program cost, not utilizing for 2018	-\$15,000	-0.64%
		Subtotal section B	<u><u>-\$15,000</u></u>

Subtotal sections A + B \$63,826 2.73%

C) Supplemental Items

	<u>2018</u>	<u>Cost</u>	<u>Requisition</u>	<u>Requisition</u> <u>% Increase</u>
None				
		Subtotal section C	<u><u>\$0</u></u>	<u><u>0.00%</u></u>

Subtotal sections A + B + C \$63,826 2.73%

Notes:

1) The Operating Reserve balance for this function as at December 31, 2017 is estimated to be \$95,576.



STAFF REPORT TO COMMITTEE

DATE OF REPORT November 2, 2017

MEETING TYPE & DATE Transit Committee of November 8, 2017

FROM: Facilities & Transit Division
Community Services Department

SUBJECT: Transit Service Fare Review

FILE:

PURPOSE/INTRODUCTION

The purpose of this report is provide information about the transit service fare review, along with proposed options for changes to consider prior to implementing for July 1, 2018. Staff will be seeking Committee feedback to assist with the proposed recommendations presented at the next Transit Committee meeting.

RECOMMENDED RESOLUTION

For Information.

BACKGROUND

BC Transit typically reviews fare structures every three to five years to provide local government partners with information, trends, and options for change. The last Cowichan Valley fare change was implemented in October 2014, but not all fares were changed. The current fare review is initiated to coincide with service improvements planned for implementation in July 2018 and production of a new rider's guide.

From a local government perspective, the current fare review is also guided by the need to increase user revenues to help offset increased costs and the effect on requisition in providing transit services from year to year, as well as significant cost pressures anticipated from additional fleet replacements in 2018 and 2019, the new transit operations and maintenance facility opening in early 2019, and in conjunction with the opening of the new facility, a future competitive process for selection of the transit operating company or companies.

To assist with this fare review, BC Transit has produced a report (Attachment A) which provides an overview of ridership and revenue trends on the various Cowichan Valley systems. This report comments on fare prices and trends in other similar systems as well as general BC Transit fare guidelines. It offers options for potential fare structure changes. The analysis below discusses these options further for the Committee's information and consideration at this time. A report with formal recommendations will be brought forward at the next Transit Committee meeting to allow adequate time for changes to be implemented and advertised alongside service improvements in July 2018.

ANALYSIS

Conventional & handyDART systems:

The last fare change implemented in October 2014 created a universal cash fare of \$2 for all customers using local routes as well as handyDART services. Student and senior cash prices were raised by \$0.25 and handyDART fares were reduced by \$0.25 to achieve this universal price. BC Transit recommends universal cash fares as a means to simplify fare structures and reduce potential conflict for operators in trying to verify age-based discounts. It should be noted that adult cash prices have been \$2 since 2010.

In 2014, discounted ticket prices (sheets of 10) for both adults as well as students/seniors went up 12.5% (from \$16 to \$18) and 11% (from \$13.50 to \$15) respectively. Monthly pass prices however, remained the same with no increases implemented. Monthly pass prices have also been the same since 2010.

Based on information from BC Transit, ridership and revenues over the past 5 years have remained relatively stable year over year. Costs to provide transit service have grown and these cost increases can be attributed to many factors including: the aging local fleet and increased maintenance costs for the community sized buses used in Ladysmith, Youbou, Honeymoon Bay, and the handyDART fleet, as well as service expansions. HandyDART expansion in October 2014 added 2,500 hours and 1 new bus and the conventional expansions of 4,100 hours and 2 new buses in 2013 mainly for the introduction of the Ladysmith service, and for July 2018 adding 1,500 hours adds to service costs. Also future costs are expected to increase with the regular inflationary increases and the opening of the transit maintenance facility. The table below outlines the increase in CVRD transit costs since 2015.

**CVRD Transit Costs and Revenue Comparison for Function 107
(Conventional & handyDART), 2015 to 2018:**

	2015	2016	2017 *	2018 *	Change 2015 - 2018	%
CVRD Total costs **	\$2,786,077	\$2,897,042	\$2,957,111	\$3,025,537	\$239,460	8.6
Tax Requisition	\$2,124,548	\$2,247,053	\$2,337,811	\$2,401,637	\$277,089	13.0
Fare Revenues ***	\$524,967	\$519,334	\$532,300	\$531,900	\$6,933	1.3

Notes:

* 2017 costs above are Amended Budget figures and 2018 costs are Draft Budget figures. 2015 & 2016 are actual CVRD costs incurred for Function 107.

** CVRD total costs include the CVRD's expenses such as bus stop and shelter maintenance, staff wages, allocations, ticket sale commissions, etc. and the CVRD's share of the BC Transit legislated cost shared operating expenses.

*** There are also other (non-fare) revenues that come from advertising and municipal grants. Only fare revenues are shown above because proposed fare structure changes will only impact this revenue source.

Any fare change must consider balancing affordability for riders along with affordability for taxpayers. The table above illustrates that total CVRD costs incurred for Function 107 have risen by nearly 9% since 2015. Over this same timeframe, tax requisition amounts have grown by 13% while fare revenues have only increased by just 1.3%. System performance standards adopted by the CVRD in 2015 further established a cost recovery target of 24% for the conventional system. In 2016/17, cost recovery for the conventional system was 16.7% pointing to the need for growth in fares.

As shown in the table below, the most common fare type used on local Cowichan Valley routes is cash; it accounts for 62% of fare revenues (excluding BC bus pass). As a result, modest increases to cash fares will be important in any fare change to have an impact. The options presented in BC Transit's report and summarized below aim to maximize fare revenues, be cost-effective to administer, and maintain ridership.

Conventional & handyDART System Fare Change Options:

Fare Type (Utilization)	Rider	Current Fare	Option 1	Option 2	Option 3
Cash (62%)	All	\$2.00	\$2.25	\$2.25	\$2.50
Day pass (1%)	All	\$4.00	\$4.50	\$4.50	\$5.00
Tickets (Sheet of 10) (12%)	Adult	\$18.00	\$20.25	\$20.25 (no age based discount)	\$22.50 (no age based discount)
	Student/senior	\$15.00	\$17.25		
Monthly pass (24%)	Adult	\$48.00	\$50.00	\$50.00	\$52.00
	Student/senior	\$36.00	\$38.00	\$38.00	\$40.00
Semester pass (1%)	Post-secondary student	\$115.00	\$120.00	Discontinued*	Discontinued*
handyDART cash	Registered users & attendants	\$2.00	\$2.25	\$2.25	\$2.50
handyDART tickets (5)	Registered users & attendants	\$10.00	\$11.25	\$11.25	\$12.50
Projected Annual Revenue			\$32,154	\$36,952	\$65,331
2018 Pro-rated CVRD Revenue (July 2018 implementation)			\$16,077	\$18,476	\$32,666

Note: *Elimination of the semester pass is included as an option based on low sales of these passes in 2016 and 2017. Only 45 passes were sold in 2016 and 25 have been sold in 2017. If discontinued, post-secondary students would have the option to purchase student monthly passes.

Options 1 and 2 presented above propose a \$0.25 increase to cash fares for local routes as well as handyDART and a \$0.50 increase to day passes (a 12.5% increase in both cases). Option 3 proposes a bigger increase of \$0.50 to cash fares and \$1.00 for day passes (a 25% increase in both cases). Option 1 increases ticket prices but maintains the student/senior age-based discount, whereas Options 2 and 3 move to a universal ticket price of \$20.25 or \$22.50 respectively for everyone which is consistent with BC Transit's recommendation to eliminate age-based discounts.

All options propose increases to monthly pass prices with Option 3 recommending an 8% and 11% increase respectively for adult and student/senior passes, where Options 1 and 2 recommend more modest increases of 4% and 6%. Since pass prices have not changed since 2010, an increase would be appropriate.

Option 1 preserves the semester pass product (a discounted 4 month pass for post-secondary students) with a modest price increase from \$115 to \$120 (a 4% increase). Options 2 and 3 recommend elimination of the semester pass based on historically low sales of this product in Cowichan. Removal of this product offers small cost savings on production expenses and is

expected to generate small incremental annual revenues with the conversion to purchase student monthly passes instead.

It should be noted that BC Transit has eliminated transfers in some local systems (Victoria and more recently Nanaimo). Transfers allow riders to transfer from one route to another without repaying the cash fare and can only be used for one-way travel within a 90 minute period. When transfers are eliminated some cash fares are replaced with a new DayPASS product purchased on-board, which is typically valued at two times the standard cash fare rate. BC Transit does not recommend eliminating transfers in the Cowichan Valley at this time until a better understanding of costs implications associated with tracking and administering the on-board DayPASS is known.

Commuter system (Function 106):

In 2014, commuter fare prices increased with cash fares changing from \$7 to \$8 and ticket prices changing from \$63 to \$72 (a 14% increase in both cases). Monthly pass prices also increased by 16% for Zone A passes (went from \$165 to \$192) and Zone B passes (went from \$200 to \$232).

CVRD Transit Costs and Revenue Comparison for Function 106 (Commuter), 2015 to 2018:

	2015	2016	2017*	2018*	Change 2015 - 2018	%
CVRD Total costs**	\$408,889	\$409,977	\$472,955	\$513,321	\$104,432	25.5
Tax Requisition	\$181,705	\$206,705	\$206,705	\$228,971	\$47,266	26
Fare Revenues***	\$239,507	\$236,191	\$257,000	\$275,000	\$35,493	14.8

Notes:

* 2017 costs are Amended Budget figures and 2018 costs are the Draft Budget figures. 2015 & 2016 are actual CVRD costs incurred for Function 106.

** CVRD total costs include the CVRD's expenses such as bus stop and shelter maintenance, staff wages, allocations, ticket sale commissions, etc. and the CVRD's share (after split with Victoria Regional Transit Service) of the BC Transit legislated cost shared operating expenses.

*** There are also other (non-fare) revenues that come from advertising and municipal grants. Only fare revenues are shown above because proposed fare structure changes will only impact this revenue source.

CVRD costs to provide the commuter service have increased nearly 26% since 2015. Tax requisition amounts have grown by the same amount and fare revenues have increased by nearly 15% over this same timeframe. Future costs are expected to increase with the need for additional park and ride capacity, as well as the opening of the transit maintenance facility. The commuter fleet is also approaching a decade in service (mid-life span) which generally leads to more expensive repairs and refurbishments. Construction activity on the TransCanada Highway in Victoria and the Malahat corridor has also increased service costs over the last two years due to delays and increased fuel and labour costs. The table below outlines options for Commuter fare changes.

Commuter System Fare Change Options:

Fare Type (Utilization)	Rider	Current Fare	Option 1	Option 2	Option 3*	Option 4
Cash (18%)	All	\$8.00	\$9.00	\$10.00	\$10.00	\$10.00
Tickets (16%)	All	\$72.00	\$81.00	\$90.00	\$90.00	\$80.00*
Monthly pass (66%)	Zone A	\$192.00	\$200.00	\$204.00	\$208.00	\$208.00
	Zone B (includes travel on Victoria routes)	\$232.00	\$242.00	\$246.00	\$250.00	\$250.00
Projected Annual Revenue			\$21,476	\$37,042	\$41,039	\$34,936
Net Annual CVRD Revenue Share**			\$10,738	\$18,521	\$20,520	\$17,468
2018 Pro-rated CVRD Revenue Share (July 2018 implementation)			\$5,369	\$9,261	\$10,260	\$8,743

Notes:

* Option 4 offers 10 tickets for the price of 8 vs. 10 tickets for the price of 9 which is the typical approach and is reflected in Options 2 and 3.

** Local government costs and revenues for the Commuter are shared 50% with the Victoria Regional Transit Commission. Costs in the table above are the CVRD's net share of revenues.

Fare change options above recommend increases to all fare types with Option 1 providing the most modest increases. Options 2 and 3 adopt cash pricing similar to the current \$10 fare on new Saturday Route #44. Monthly pass increases shown are 4%, 6%, and 8% respectively rounded to the nearest dollar for Zone A and Zone B passes. Option 4 provides a more discounted rate on tickets at 10 for the price of 8 vs. the usual BC Transit standard of 10 for the price of 9.

Other Fare Recommendations:

BC Transit's Report also reviewed and offers information with respect to ProPASS and Family Travel programs for consideration.

A) The ProPASS program offers discounted bus passes for employees that are paid for through payroll deductions. BC Transit recommends against implementing this program due to the extensive time and cost required to administer the program by local government partners, and the added complexity of accounting for this program based on the shared funding arrangement for commuter routes with the Victoria Regional Transit Commission. Locally, there are not many large scale employers with long term employees likely to take advantage of such a program.

B) Family travel programs enable an adult customer with a monthly pass to bring up to four children (12 years and under) on board for free. There are advantages and disadvantages to this program. Some advantages include promoting transit to youth to encourage future ridership, promoting the use of prepaid monthly passes by adults, and being a good faith gesture by local government to increase ridership. Disadvantages include potential for increased conflict and fare evasion as operators would need to try to verify another type of age-based discount, potential confusion by customers as this program relates strictly to monthly passes, and the lack of quantifiable data about revenue impacts and ridership benefits to confirm that such programs have increased ridership in other systems. The Cowichan Valley local and commuter systems already offer free

transit for all children age 4 years and under to help families with young kids use the system. Adding another program specific to monthly passes is not recommended at this time.

FINANCIAL CONSIDERATIONS

Estimated incremental fare revenues are summarized in the tables above. For conventional and handyDART system fares, Option 1 offers the most modest increases but provides the least additional revenue (\$32,154 annually) where Option 3 is the most aggressive (\$65,331 annually).

For commuter system fares, Option 1 provides an additional \$10,738 in CVRD revenues annually whereas Option 3 provides nearly double at \$20,520 per year.

Conventional & handyDART Option 3 and Commuter Option 3 add the most revenue potential with up to \$85,851 in estimated incremental revenues per year over a full year period.

COMMUNICATION CONSIDERATIONS

Provide BC Transit with any update to fare option recommendations based on CVRD Committee review and discussion. BC Transit requires a minimum of two month's notice to implement a fare change. If changes are proposed and adopted for Commuter fares, a minimum of three month's notice to users is recommended given the higher monetary value of these fare products and associated financial impacts for the customer.

STRATEGIC/BUSINESS PLAN CONSIDERATIONS

This report addresses the Sound Fiscal Management component of the Strategic Plan.

Referred to (upon completion):

- Community Services (*Island Savings Centre, Cowichan Lake Recreation, South Cowichan Recreation, Arts & Culture, Public Safety, Facilities & Transit*)
- Corporate Services (*Finance, Human Resources, Legislative Services, Information Technology, Procurement*)
- Engineering Services (*Environmental Services, Recycling & Waste Management, Water Management*)
- Land Use Services (*Community Planning, Development Services, Inspection & Enforcement, Economic Development, Parks & Trails*)
- Strategic Services

Prepared by:



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Reviewed by:



Jim Wakeham
Manager



John Elzinga
General Manager

ATTACHMENTS:

Attachment A – Fare Structure Review Report from BC Transit

Fare Structure Review

Cowichan Valley Regional District



November 1st, 2017

Cowichan Valley
Regional District



OVERVIEW

BC Transit has prepared this report for the Cowichan Valley Regional District (CVRD). It examines the fare structures currently in place for the Cowichan Valley Regional Transit System and the Cowichan Valley Commuter, discusses historical ridership and revenue trends in both, and draws comparisons to peer systems and BC Transit fare guidelines. It then presents recommendations on potential new fare structures for each system, with the purpose of increasing fare revenues to help offset the increased costs to provide the services since the most recent fare change in 2014.

BACKGROUND INFORMATION

Current Fare Structure

The following tables outline the current fare structures for the Cowichan Valley Regional Transit System conventional and handyDART service and for the Cowichan Valley Commuter. These fare structures were implemented in October 2014 and introduced single cash and DayPASS fares to the conventional system. There were moderate increases in ticket and semester pass fares, while monthly pass fares remained unchanged. handyDART fares were lowered \$0.25 to match conventional fares at the advice of BC Transit so to not discriminate against handyDART users. Cowichan Valley Commuter fares were raised in each product category.

Table 1: Current Conventional Fare Structure

Fare Product	Riders	Current Fare	Previous Fare
Cash	All	\$2.00	\$2.00 / \$1.75
DayPASS	All	\$4.00	\$4.00 / \$3.25
Tickets (10) (Discounted)	Adult	\$18.00	\$16.00
	Student/Senior	\$15.00	\$13.50
Monthly Pass	Adult	\$48.00	\$48.00
	Student/Senior / Post-Secondary Student	\$36.00	\$36.00
Semester Pass	Post-Secondary Student	\$115.00	\$112.00

Table 2: Current handyDART Fare Structure

Fare Product	Riders	Current Fare	Previous Fare
Cash	Registered Users / Companions	\$2.00	\$2.25
Tickets (5)	Registered Users / Companions	\$10.00	\$11.25

Table 3: Current Cowichan Valley Commuter Fare Structure

Fare Product	Riders	Current Fare	Previous Fare
Cash	All	\$8.00	\$7.00
Tickets (10)	All	\$72.00	\$63.00
Monthly Pass	All - Zone A	\$192.00	\$165.00
	All - Zone B	\$232.00	\$200.00

Revenue and Ridership Historical Performance

The tables below outline key performance statistics for the Cowichan Valley conventional system and the Cowichan Valley Commuter for the fiscal year 2016/17.

Table 4: Conventional Key Performance Measures

Measure	Performance		
	Cowichan Valley	Youbou	Combined
Ridership Growth (5-year annual compound rate)	0%	-4%	0%
Revenue Growth (5-year annual compound rate)	1%	-3%	1%
Total Ridership	358,622	6,152	364,774
Total Revenue	\$507,056	\$11,746	\$518,802
Total Revenue from Fare Sources*	\$399,701	\$11,746	\$411,447
Total Fare Revenue from Prepaid Sources	38%	18%	38%
Average Fare	\$1.34	\$1.91	\$1.35
Total Expenses Growth (5-year annual compound rate)	5%	4%	5%
Total Cost Recovery	16%	4%	15%

*Excludes advertising, BC Bus Pass and grant revenue. Represents revenue that can be affected by fare change.

Ridership: Annual ridership in the CVRD's conventional service peaked in 2014/15 and has a compound annual growth rate (CAGR) of zero percent over the past five years.

Revenue: Similarly, revenue peaked in 2014/15, but trends positively, with a one percent five-year CAGR. Average fare increased by one percent CAGR over five years, while fare revenue from prepaid sources increased at a two percent CAGR over the five-year span.

Cost Recovery: While revenue has increased, expenses have as well and at a higher rate, with large increases observed in 2012/13 and in the most recent fiscal year, 2016/17. Total expenses (operating costs and debt service) have increased five percent CAGR in the past five years. Accordingly, improving cost recovery through increased fare revenues is a consideration as a part of this review.

Table 5: Cowichan Valley Commuter Key Performance Measures

Measure	Performance
Ridership Growth (5-year annual compound rate)	0%
Revenue Growth (5-year annual compound rate)	3%
Total Ridership	80,332
Total Revenue	\$482,745
Total Revenue from Fare Sources*	\$482,745
Total Fare Revenue from Prepaid Sources	82%
Average Fare	\$6.01
Total Expenses Growth (5-year annual compound rate)	2%
Total Cost Recovery	46%

*Excludes advertising, BC Bus Pass and miscellaneous revenue. Represents revenue that can be affected by fare change.

For reference, revenue and expenses from the Cowichan Valley Commuter are shared between the Cowichan Valley Regional District and the Victoria Regional Transit Commission.

Ridership: Annual ridership on the Cowichan Valley Commuter peaked in 2013/14 and has remained steady over the past five years, with a five-year CAGR of zero percent.

Revenue: Revenue from the Cowichan Valley Commuter peaked in the most recent fiscal year, 2016/17, with a five-year CAGR of three percent.

Cost Recovery: While revenues have increased at a rate of three percent CAGR over five years, expenses have increased as well, albeit at a lower rate of two percent CAGR.

Fare Revenue Composition

The composition of fare revenue (cash vs. prepaid products) can result in the following outcomes:

Cash-dominant

- Full fare is paid (no discounts for pre-payment)
- Revenue and average fare are maximized

Prepaid product-dominant

- Greater stability, predictability and security of revenue
- Promotion of frequent ridership amongst existing customers
- Improved on-time performance and operational efficiency

In general, BC Transit recommends the promotion of prepaid products. The chart below indicates how fare revenue from conventional service is divided by fare type:

Figure 1: Conventional Revenue by Fare Type

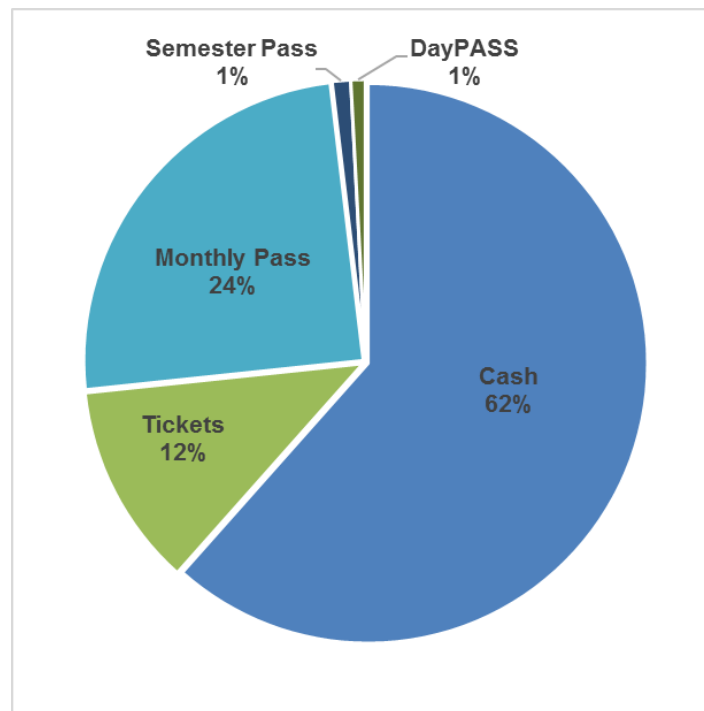


Figure 1 outlines the large proportion of conventional revenue that is made up by cash fares. In this, any adjustments to cash fare would have the biggest impact on fare revenues, followed by monthly passes, then tickets. Of note, this chart only considers fare revenues, which makes up 79% of total revenues. The other 21% is contributed through non-fare sources such as advertising and the BC Bus Pass program. In addition to the chart above, trends in each individual product type is provided in the table below:

Table 6: Conventional Fare Product Composition by Product

Product	Percent of Total Fare Revenue	Five-Year Compound Annual Growth Rate
Cash	62%	1%
Adult Tickets (10)	6%	-10%
Student/Senior Tickets (10)	6%	4%
Adult Monthly Pass	14%	13%
Student/Senior / Post-Secondary Monthly Pass	10%	4%
Semester	1%	1%
DayPASS	1%	53%
	100%	

Table 6 outlines the recent trends observed in each of the product categories in the CVRD's conventional service. In general, growth observed in the majority of the prepaid fare products is positive. The exception to this being adult tickets, which is trending downwards. In looking deeper, the downward trend in adult tickets coincides with increases observed in the purchase of adult monthly passes. This can reasonably be attributed to changes made during the last fare review, where adult ticket prices were increased while adult monthly pass prices were left unchanged, making the monthly passes more appealing to purchase and use. From a ridership perspective, having customers purchasing a monthly pass over tickets and using the service more regularly is positive.

Figure 2: Cowichan Valley Commuter Revenue by Fare Type

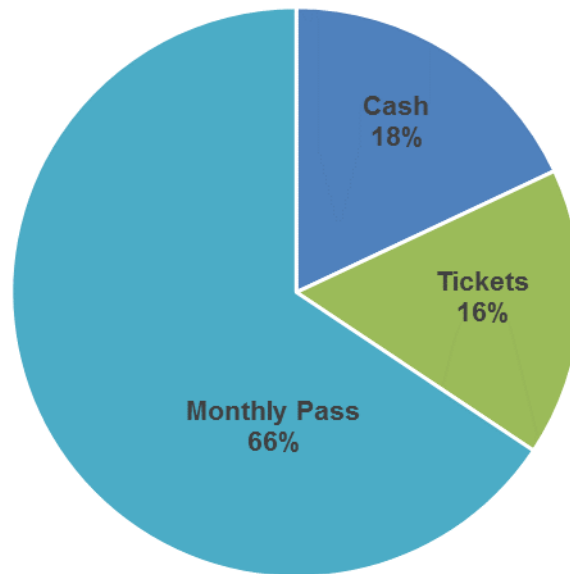


Figure 2 outlines the composition of fare revenues for the Cowichan Valley Commuter. In providing service to regular commuter traffic, the proportion of monthly pass revenue is expectedly the largest by a considerable margin. Historically, the relative proportions of fare products used on the Cowichan Valley Commuter have remained stable, with slight increases observed in the purchasing of tickets. Overall the stability of the proportions indicates consistent ridership demographics.

Table 7: Cowichan Valley Commuter Fare Product Composition by Product

Product	Five-Year Compound Annual Growth Rate
Cash	3%
Tickets (10)	6%
Monthly Pass	2%

Table 7 outlines the growth rates observed in each of the three product categories over the past five years, with each category showing an increase in revenues.

CURRENT FARE STRUCTURE EVALUATION

Comparison to Peer Systems

To better understand the Cowichan Valley Regional Transit System's conventional fare structure, comparisons have been made to similar systems on proportion of products sold and product prices. It is important to note that each system has its own unique factors that influence their product sales.

Table 8: Conventional Fare Products as a Percentage of Fare Revenue

Fare Product	Cowichan Valley	Average of Tier 2 Systems*	Variance
Cash	62.2%	50.5%	11.7%
Tickets	11.2%	10.4%	0.8%
Monthly Pass	24.1%	32.8%	-8.7%
Semester Pass	1.0%	5.9%	-4.9%
DayPASS	0.8%	0.3%	0.5%
	100%	100%	

*Average of four Tier 2 systems: Campbell River, Comox Valley, Penticton and Vernon.

In analyzing the proportion of fare products sold in the Cowichan Valley relative to its peers, it can be seen that a significantly larger percentage of revenue comes from cash, while monthly and semester passes trend lower than the average.

Table 9: Conventional Fare Prices by Product

Fare Product	Cowichan Valley	Average of Tier 2 Systems*	Variance
Cash	\$2.00	\$2.06	-\$0.06
Adult Tickets (10)	\$18.00	\$18.06	-\$0.06
Adult Monthly Pass	\$48.00	\$49.75	-\$1.75
Semester Pass	\$115.00	\$121.25	-\$6.25
Average Fare	\$1.34	\$1.23	\$0.11

*Average of four Tier 2 systems: Campbell River, Comox Valley, Penticton and Vernon. Of note, Campbell River, Comox Valley and Vernon are all currently undergoing fare reviews.

When comparing its fare prices to peer systems, the CVRD's conventional service trends lower than the average on each fare product type. However, it does have a higher average fare, which can be attributed to the higher amount of revenue generated from cash fares in the CVRD relative to its peers.

Comparison to BC Transit Fare Guidelines

Table 10: Comparison to BC Transit Fare Guidelines - Conventional

Fare Product	Riders	BC Transit Fare Guideline	Conventional Fare Structure
Cash	Adult	Base Fare	Base Fare
	Discount	Not Recommended	Base Fare
Tickets (10)	Adult	9 times Base Fare	9 times Base Fare
	Discount	Not Recommended	7.5 times Base Fare
DayPASS	Adult	2 times Base Fare	2 times Base Fare
	Discount	Not recommended	2 times Base Fare
Monthly Pass	Adult	20 - 30 times Base Fare	24 times Base Fare
	Discount	Adult Monthly Pass less 15%	Adult Monthly Pass less 25%
Semester Pass	Post-Secondary Student	4 times Discount Monthly Pass Less 20%	4 times Discount Monthly Pass Less 20%

Relative to BC Transit Fare Guidelines, the CVRD's current conventional fare structure is well aligned. However, BC Transit does not recommend offering age-based discounts on tickets, which are currently available. This is for several reasons:

- The simplification of the fare structure and the number of products available makes it easier for customers to understand and simpler for vendors to sell and promote
- The elimination of age-based discounts reduces the reliance on operators to enforce appropriate fares, potentially reducing conflict
- Customers would be incentivized to switch to monthly passes, which promotes more consistent ridership and revenue

Table 11: Comparison to BC Transit Fare Guidelines – Cowichan Valley Commuter

Fare Product	Riders	BC Transit Fare Guideline	Cowichan Valley Commuter Fare Structure
Cash	Adult	Base Fare	Base Fare
	Discount	Not Recommended	Base Fare
Tickets (10)	Adult	9 times Base Fare	9 times Base Fare
	Discount	Not Recommended	9 times Base Fare
Monthly Pass	Adult Zone A	20 - 30 times Base Fare	24 times Base Fare
	Adult Zone B	N/A	29 times Base Fare

As with the conventional system, the fare structure for the Cowichan Valley Commuter is well aligned to BC Transit's recommended guidelines. Of note, there is no guideline for use with the Zone B monthly pass, as BC Transit traditionally advises against the use of multiple zones. However, given the unique arrangement with the Victoria Regional Transit System, it is recommended that this pass continue to be made available.

Discussion Points

In addition to providing analysis on fare structure composition and performance, BC Transit has been requested to include analysis on the following topics to be considered with any fare changes:

Family Travel Program

Some BC Transit systems offer the Family Travel program, whereby an adult customer with a monthly pass can bring up to four children (12 years and under) on board the conventional service for free. The program is traditionally available to parents and guardians who are 19 years and over with a pass (monthly, DayPASS or BC Bus Pass), but does not apply to cash fares and tickets. This program could be beneficial to the CVRD in that it:

- Gives children the opportunity to become comfortable using transit and prepares them for their future independent transit use, which encourages future transit ridership
- Promotes the purchase of monthly passes
- Is a gesture of good faith from the local government to encourage increased ridership

While there are clear benefits to this program, it should be noted that it does open the possibility of operators needing to enforce the rules of the program (ie. the age of children or the number of children permitted), which in escalated circumstances could lead to operator conflict. There currently is no quantifiable data available on the impact of the Family Travel Program, however the overall implications of the program on ridership and revenue are expected to be minimal.

Elimination of Transfers

Due to the subjective nature of their validation and difficulty in enforcing related policies, transfers are viewed as a source of fare evasion and operator conflict. As a result of these difficulties, BC Transit advises the regional transit systems consider a move towards fare structures that do not include transfers. One potential solution is the DayPASS-on-board product, which is different than the scratch DayPASS currently sold in the CVRD. In this, a customer would pay two times the base cash fare, or provide two tickets, at the time of boarding and would receive a paper DayPASS from the operator that would allow for all-day travel throughout the system. This DayPASS-on-board product has been in use in the Victoria Regional Transit System since April 2016. In the subsequent fiscal year, there were positive revenue outcomes and decreases in the number of operator conflict incidents.

The introduction of the DayPASS-on-board would result in additional operational costs in order to effectively control use and report on sales. While the new DayPASS-on-board has had a positive experience in Victoria from a revenue and operator conflict perspective, each system has unique components which can impact results. Before proceeding on a decision to implement the DayPASS-on-board, it will be important to fully understand the cost implications observed in other systems, such as Nanaimo who introduced this product in September 2017. With this in mind, BC Transit advises that the removal of transfers and introduction of a DayPASS-on-board not be considered in CVRD at this time.

Cowichan Valley Commuter ProPASS

The ProPASS program is a partnership between a municipality and local businesses to offer a discounted, permanent bus pass for employees that is paid through a payroll deduction. A few current customers of the Cowichan Valley Commuter have expressed the desire for a ProPASS program be made available. After examining this request, BC Transit recommends against the implementation of a ProPASS program on the Cowichan Valley Commuter for the following reasons:

Time and Cost to Administer Program: The ProPASS program is traditionally managed by companies' payroll departments, where payment is deducted from employees' paycheques and submitted as a single payment to the local government. To administer this program, the CVRD would need to partner with Victoria-based businesses to manage enrolments, receive payments and reconcile against lists of those enrolled in the program. The alternative would be for the CVRD to receive monthly payments from individuals enrolled in the program, though this would create an even larger administrative burden through the processing and tracking of individual payments rather than lump sums from companies.

Saturated Ridership: The ProPASS program is designed to increase transit ridership through attracting new customers through convenience and discounted fares. With the Cowichan Valley Commuter catering almost exclusively to regular commuting customers, there is little expectation that introducing this program would result in ridership growth. As a result, the introduction of a ProPASS program would likely result in the discounting of already subsidized fares for existing riders only.

Cost-Sharing Model: Given the current funding model for the Cowichan Valley Commuter, any changes to fares would require the approval of the Victoria Regional Transit Commission.

FARE STRATEGY OPTIONS

Potential Fare Structures

At the request of the Cowichan Valley Regional District, BC Transit created three potential new fare structures, which are outlined in Table 12:

Table 12: Potential Conventional Fare Structures

Fare Type	Audience	Current	Option 1	Option 2	Option 3
Cash	All	\$2.00	\$2.25	\$2.25	\$2.50
DayPASS	All	\$4.00	\$4.50	\$4.50	\$5.00
Tickets (10)	Adult	\$18.00	\$20.25	\$20.25	\$22.50
	Student/Senior	\$15.00	\$17.25		
Monthly Pass	Adult	\$48.00	\$50.00	\$50.00	\$52.00
	Student/Senior / Post-Secondary	\$36.00	\$38.00	\$38.00	\$40.00
Semester Pass	Post-Secondary	\$115.00	\$120.00	Discontinued	Discontinued
Projected Annual Revenue Impact*:			+\$28,986 (+7%)	\$33,784 (+8%)	+\$59,353 (+13%)

*All projections are calculated using the Simpson-Curtin rule, which assumes a short-term ridership loss of 0.3 per cent for every one per cent increase in fares.

In efforts to increase fare revenues and improve cost recovery, each of the three options presented above propose increases in base cash fare, along with corresponding increases to DayPASS and ticket fares. Options 1 and 2 call for a \$0.25 increase in base cash fare, with Option 3 calling for a \$0.50 increase. Given the large proportion of fare revenue that is contributed by cash fares, this proposed increase will have the greatest positive impact on revenues.

Each option also includes increases in monthly pass fares, by \$2.00 in Options 1 and 2 and by \$4.00 in Option 3. Due to low usage, Options 2 and 3 propose the removal of the semester pass product, while Option 1 proposes a \$5.00 increase in the semester pass fare. To better align with BC Transit fare guidelines, Options 2 and 3 recommend the elimination of the discount ticket fare.

Each of these options is suitable for the inclusion of the Family Travel Program, where an adult customer with a monthly pass could bring up to four children on board the conventional service for free.

Table 13: Proposed handyDART Fares

Fare Product	Riders	Current Fare	Options 1 & 2	Option 3
Cash	Registered Users / Companions	\$2.00	\$2.25	\$2.50
Tickets (5)	Registered Users / Companions	\$10.00	\$11.25	\$12.50
Projected Annual Revenue Impact*:			+\$3,168 (+8%)	+\$5,978 (+16%)

*All projections are calculated using the Simpson-Curtin rule, which assumes a short-term ridership loss of 0.3 per cent for every one per cent increase in fares.

With any changes to the base cash fare of the conventional system, corresponding changes should be made to handyDART cash and ticket fares to ensure consistency. The proposed increase of \$0.25 to handyDART fares in Options 1 and 2 would result in an additional \$3,168 in annual revenue, an increase of eight percent. The proposed increase of \$0.50 in Option 3 would result in an additional \$5,978 in annual revenue, an increase of 16 percent.

Table 14: Potential Cowichan Valley Commuter Fare Structures

Fare Type	Audience	Current	Option 1	Option 2	Option 3	Option 4
Cash	All	\$8.00	\$9.00	\$10.00	\$10.00	\$10.00
Tickets (10)	All	\$72.00	\$81.00	\$90.00	\$90.00	\$80.00*
Monthly Pass	All – Zone A	\$192.00	\$200.00	\$204.00	\$208.00	\$208.00
	All – Zone B	\$232.00	\$242.00	\$246.00	\$250.00	\$250.00
Projected Annual Revenue Impact**:			+\$21,476 (+5%)	\$37,042 (+8%)	+\$41,039 (+9%)	+\$34,936 (+8%)

*Tickets discounted more than BC Transit recommended fare guidelines in order to encourage continued purchase of them.

**All projections are calculated using the Simpson-Curtin rule, which assumes a short-term ridership loss of 0.3 per cent for every one per cent increase in fares.

In a similar approach to the conventional service, each of the options presented in Table 14 propose an increase in the base cash fare of the Cowichan Valley Commuter in efforts to increase fare revenue and improve cost recovery. Option 1 includes an increase of \$1.00, while Options 2, 3 and 4 proposed a \$2.00 increase, which would align the weekday cash fare with the recently introduced Saturday service fare. For Options 1, 2 and 3, there are corresponding increases in ticket fares to ensure consistency with BC Transit fare guidelines, while Option 4 proposes a lower ticket fare to increase purchase of these products.

The proposed options also include increases to the monthly pass fare that account for increases observed in the Canadian Consumer Price Index since the last fare review, with the increases rounded to the nearest whole dollar as per BC Transit fare guidelines. Option 1 proposes a four percent increase in monthly pass fares which matches the four percent increase in the CPI since the current fare structure was introduced. Option 2 presents a six percent increase and Options 3 and 4 includes an eight percent increase, which account for reasonably expected increases in the CPI while the proposed fare structures are in place.

RECOMMENDATIONS

It is recommended that the Cowichan Valley Regional District:

1. Receive this report as information
2. Approve one of the proposed fare structures for conventional service, handyDART and the Cowichan Valley Commuter
3. Direct staff to work with BC Transit to market and implement the fare change to coincide with the 1,500 hour conventional service expansion on July 1, 2018

Please note, BC Transit requires at least eight weeks' notice after Board approval to implement a fare change. Any changes to Cowichan Valley Commuter fares should be communicated to the riders at least twelve weeks in advance.

APPENDIX A: BC TRANSIT GLOSSARY

Adult fare – A regular fare must be paid by all passengers who do not qualify for a discount or cannot prove eligibility.

Average fare – Total revenue from fare sources divided by total ridership (including BC Bus Pass).

Cash fare – A cash fare allows one person to use transit. No change is given on the bus and so exact change must be used.

Child – A person who is four years of age or under. Children may ride the bus for free.

Conventional transit – Serves the general population in urban settings using mid-sized or large buses. The buses are accessible, low-floor and run on fixed routes and fixed schedules.

Cost recovery – Reflects annual total revenue divided by total costs. This ratio indicates the proportion of costs recovered from total revenue. A strong cost recovery is desirable, as it reduces the subsidy from the taxpayer. This factor, however, is a municipal policy decision.

DayPASS – A DayPASS offers a discount for unlimited travel throughout the day.

Discount fare – Discounts on prepaid products are applicable to seniors (aged 65+), youth (aged 6-18) and university students upon proof of eligibility.

handyDART – Custom door-to-door service for those passengers who cannot use conventional transit due to a disability. Riders must be registered with the handyDART office before they can use the service. Also known as custom transit, handyDART stands for handy Dial-a-Ride-Transit.

Monthly pass – For users taking transit regularly throughout the month, a Monthly Pass offers a discount for unlimited travel.

Post-secondary student – Adult students in full-time attendance at a recognized post-secondary school can travel on a Student Monthly or Semester Pass, by showing the bus driver their valid student photo I.D. card at the time of boarding.

Ticket – Each ticket allows one person to use transit. When purchasing a package of ten tickets, a user will receive a discount. Using tickets also has the advantage of not requiring exact change to be carried on the bus.

Total revenue – Includes passenger and advertising revenue; excludes property tax.

Transfer – When a user pays their fare using cash or using tickets, and requires more than one bus to complete their trip, they may request a transfer from the operator. Transfers are free, and they are good for one-way travel, valid for the first connecting bus at transfer points only. Transfers are accepted from the Cowichan Valley Commuter to Cowichan Valley Regional Transit and/or within the Cowichan Valley Regional Transit System.

Zones – Zone A: Valid on Cowichan Valley Commuter and Cowichan Valley Transit. Zone B: Valid on Cowichan Valley Commuter, Cowichan Valley Transit and Victoria Regional Transit Systems.