

STAFF REPORT TO COUNCIL

1100 Patricia Blvd. | Prince George, BC, Canada V2L 3V9 | www.princegeorge.ca

DATE: May 16, 2023

TO: MAYOR AND COUNCIL

NAME AND TITLE: Blake McIntosh, Director, Civic Operations

SUBJECT: 2023-2024 Annual Operating Agreement for the Prince George Transit System

ATTACHMENT(S): Annual Operating Agreement Schedule 'A'

RECOMMENDATION(S):

That Council GIVES FIRST THREE READINGS to “City of Prince George Transit Service Annual Operating Agreement 2023-2024 Authorization Bylaw No. 9412, 2023.”

PURPOSE:

To seek Council’s approval and adoption of the Annual Operating Agreement between BC Transit and the City of Prince George for continued operations of the Prince George Transit System.

STRATEGIC PRIORITIES:

Preserve the Environment: Implement local government actions that advance environmental protection including climate change and adaptation.

BACKGROUND:

Transit in Prince George is funded and operated through an agreement between the City and BC Transit, known as the Annual Operating Agreement (AOA). Each year, the AOA must come before Council for approval prior to going into effect. The approval of the AOA is necessary to continue transit operations under the BC Transit model.

About the Transit System

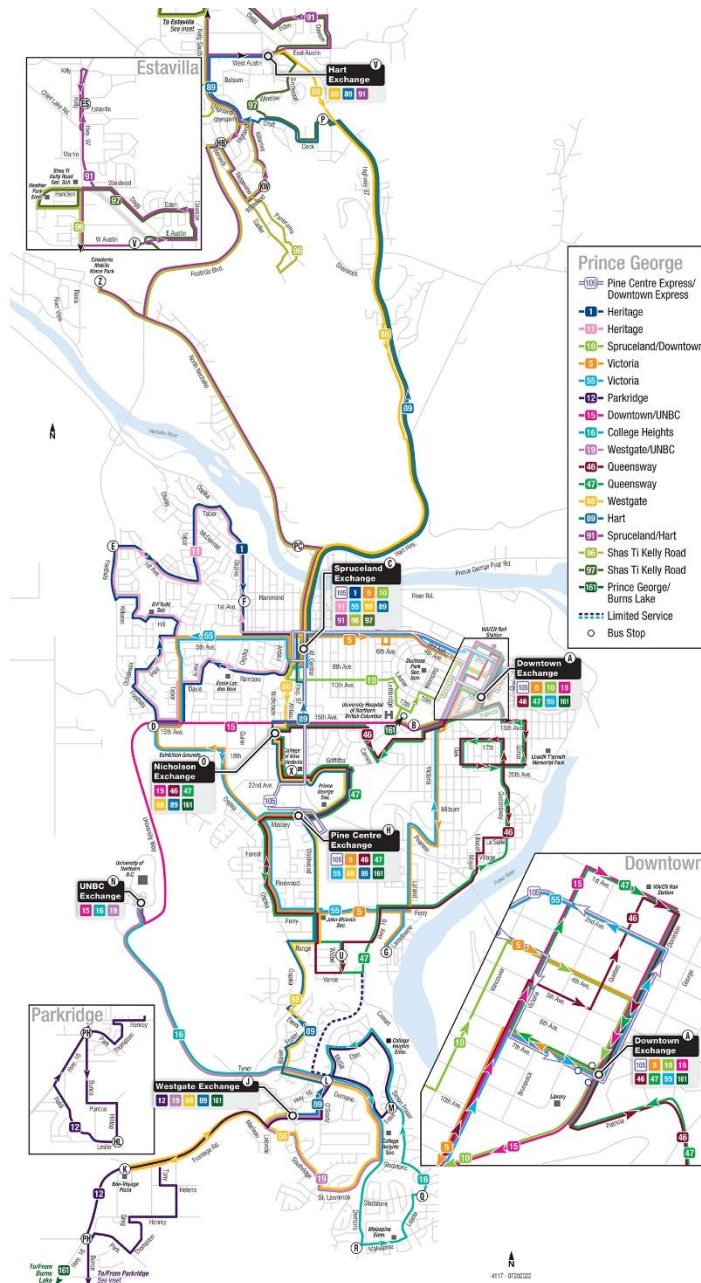


Figure 1: Map of the transit system.

Future of the System

In 2020, BC Transit completed the Transit Future Action Plan (TFAP), a five-year plan outlining actionable items to address the needs of a growing Prince George. It was created to begin planning for execution of short-term and medium-term goals as outlined in the Transit Future Plan (TFP) from 2014, and serve as a 'check-in' with the system to determine if these needs had changed since its

In Prince George, there are two types of transit offered: Conventional and Custom.

Conventional Transit, sometimes known as “fixed-route transit”, is regularly scheduled bus service that stops at predetermined stops along a route. There are currently 17 total routes, which includes one limited-stop weekday service, and three school specials that cater to high school students. Core routes operate 7-days per week, with a daily service span of approximately 6:00 AM to 11:00 PM Monday to Saturday, and 8:00 AM to 7:00 PM on Sundays.

Conventional transit is operated by a fleet of 31 low-floor, fully accessible buses, of which 20 are “Heavy Duty”, 7 are “Medium Duty”, and 4 are “Light Duty”. Heavy-duty and medium-duty buses operate on core routes and school specials, while light-duty buses are assigned to lower-ridership routes and runs.

Conventional transit makes up the bulk of the transit budget and occupies a large majority of the resources deployed by BC Transit in Prince George. In the 2023-2024 provincial fiscal year, it is expected that the conventional transit system will run approximately 77,182 service hours.

Custom Transit, most commonly referred to in BC as HandyDart, is a door-to-door, on-demand service for those with mobility challenges to access medical appointments, shopping, or recreational opportunities. Custom transit operates a small fleet of accessible shuttle buses, 7-days per week.

adoption. The TFAP was created with city staff input and guidance, and endorsed by Council in 2021.

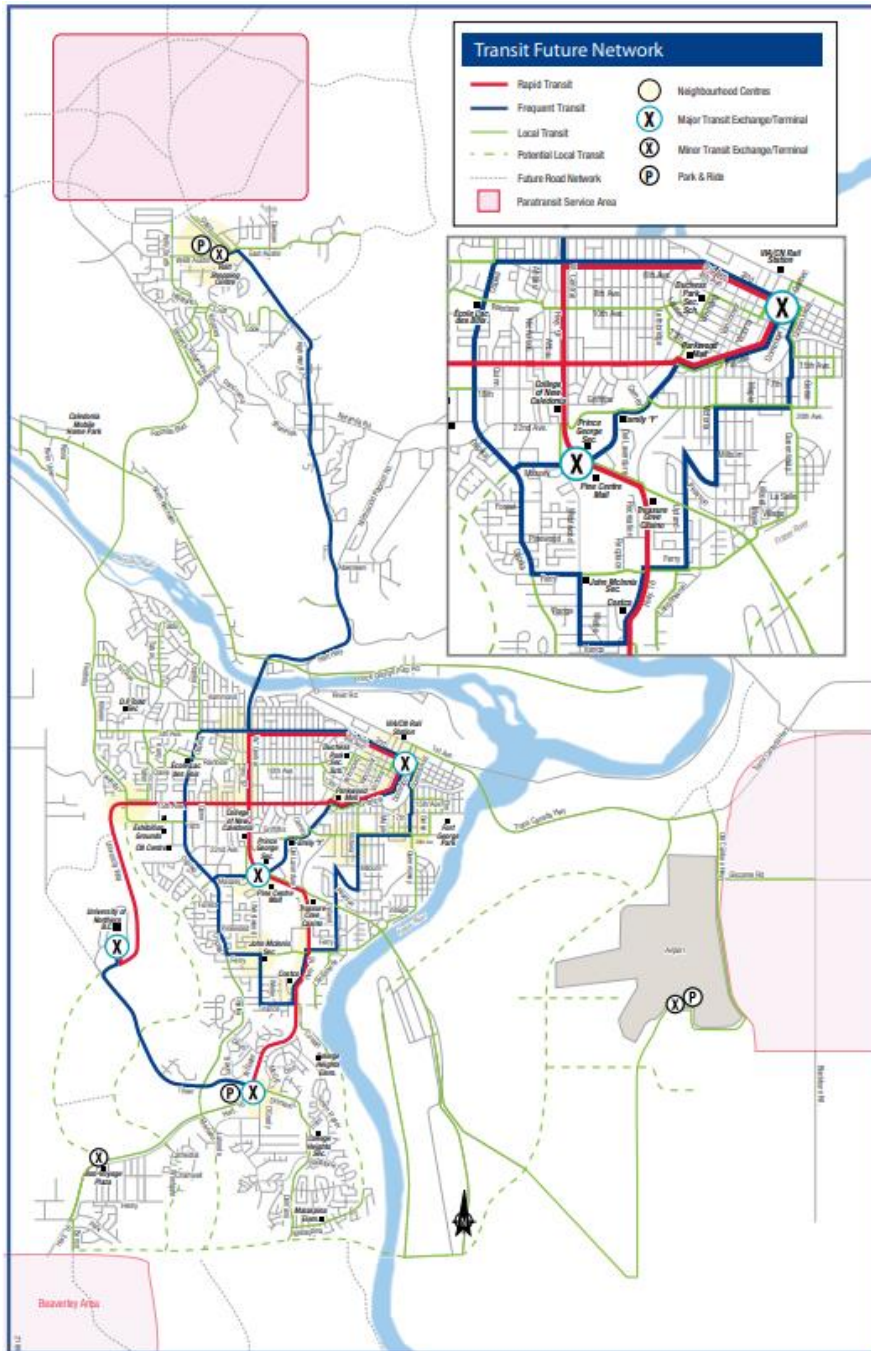


Figure 2: Transit future network.

this revamped fare payment method ready in Prince George by spring of 2024.

As a result of the implementation of EFCS, there will be changes necessary to the AOA to account for minor tweaks to the fare payment structure. These changes are still in development, likely to be finalized this summer, and presented to Council as an amendment to this AOA when ready.

In 2022, the first phase of this plan was implemented, which included additional service to post-secondary institutions, and a new limited-stop service to reduce travel times between key destinations. Overall, some of these new additions to the system have performed well, while others will be subject to tweaks and changes as necessary to ensure needs are being met.

The city has been engaging with BC Transit to continue this momentum to improve and grow the system, under the guidance of the TFAP. We expect upcoming initiatives to include capacity improvements to address overcrowding on existing routes, and address concerns about lack of off-peak services.

Forthcoming Technology

The Electronic Fare Collection System (EFCS) program, now called Umo, is BC Transit's shift towards a smart-card-style fare product system. The card will be similar to other transit smart cards found in other cities, such as Vancouver's Compass card. The expectation is to have

Funding Model

Under the AOA, financial obligations to funding the transit system are split into two categories: the “Municipal Share” and the “Provincial Share”. The City of Prince George is responsible for covering the municipal share as outlined in the AOA. The total municipal share is dependent on which of the two funding models being applied, whether for Custom or Conventional Transit:

The funding model for Conventional Transit can be broadly described as 53% municipal share, and 47% provincial share.

The funding model for Custom Transit can be broadly described as 33% municipal share, and 67% provincial share.

Recovery from COVID-19

As of March of this year, the transit system has made a full ridership recovery since the beginning of impacts of the COVID-19 pandemic. The system now experiences similar capacity constraints to what existed in 2019, and we are working with BC Transit to address those through expansion and redesign initiatives.

FINANCIAL CONSIDERATIONS:

About the 2023-2024 AOA

The AOA encompasses all costs associated with operating the transit system in Prince George. The total amount payable to BC Transit over the course of the year includes those operating costs, minus revenue, the use of the Local Transit Fund, and the 47% provincial share for conventional transit, and the 66% provincial share for custom transit. The City is billed monthly invoices based on the actual costs of operating the system – the AOA includes budgeted costs, and therefore the actual costs may vary depending on unforeseen factors.

The annual cost to the City of Prince George of operating the **Conventional** transit system for the 2023-2024 provincial fiscal years is as follows:

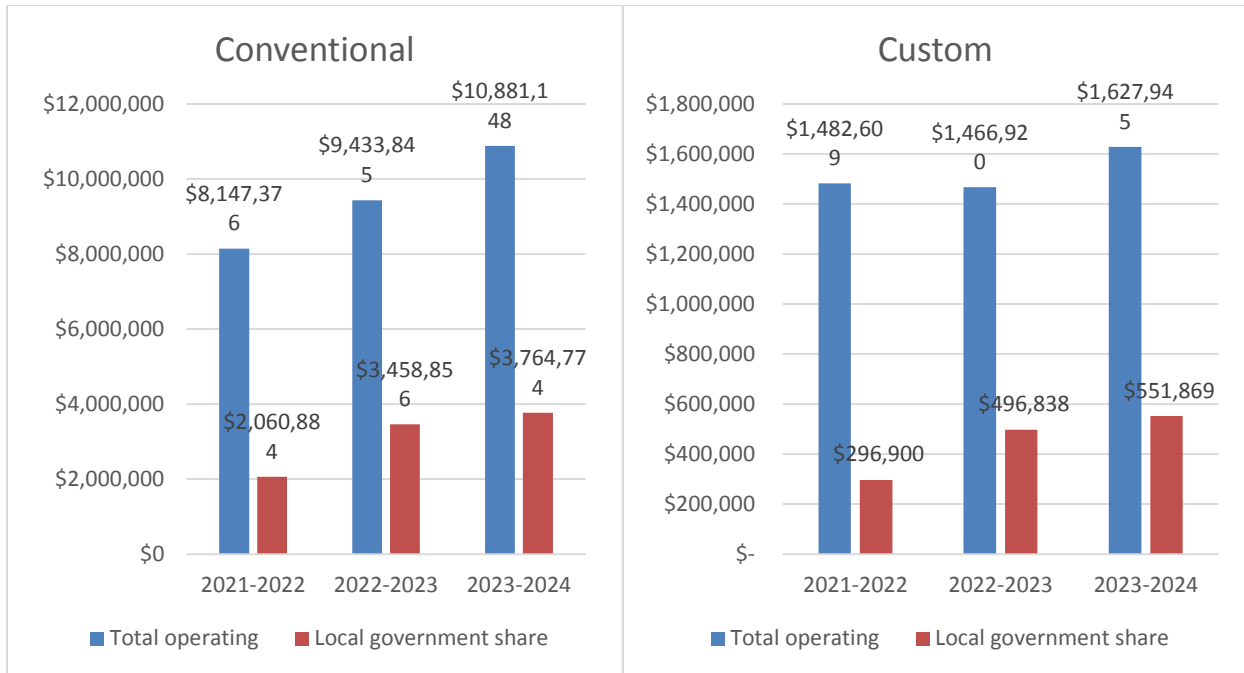
TOTAL SHAREABLE OPERATING COSTS	\$10,881,148
LOCAL SHARE OPERATING COSTS	\$5,800,740
LOCAL SHARE LEASE FEES	\$856,856
Less: REVENUE	\$2,507,484
Less: MUNICIPAL ADMINISTRATION	\$144,467
Less: LOCAL TRANSIT FUND	\$240,870
NET MUNICIPAL SHARE OF COSTS	\$3,764,774
PROVINCIAL SHARE OF OPERATING COSTS	\$5,080,408

The annual cost to the City of Prince George of operating the **Custom** transit system for the 2023-2024 provincial fiscal years is as follows:

TOTAL SHAREABLE OPERATING COSTS	\$1,627,945
LOCAL SHARE OPERATING COSTS	\$542,268
LOCAL SHARE LEASE FEES	\$83,015
Less: REVENUE	\$49,780
Less: MUNICIPAL ADMINISTRATION	\$23,634
NET MUNICIPAL SHARE OF COSTS	\$551,869
PROVINCIAL SHARE OF OPERATING COSTS	\$1,085,677

Historical Operational Costs Since 2020

Below is a breakdown of transit operational costs from previous years:



SUMMARY AND CONCLUSION:

The Annual Operating Agreement between the City of Prince George and BC Transit will facilitate the continued operation of the Prince George Transit System through the 2023-2024 fiscal year. Included in the AOA is the expected operating budget for the transit system for the current provincial fiscal cycle, with considerations given to expected costs related to maintenance and other variables, with a subtraction of expected revenues through fare collection and advertising. City and BC Transit staff continue to collaborate on this service delivery, as well as new projects and initiatives that will improve the system.

RESPECTFULLY SUBMITTED:

Blake McIntosh, Director, Civic Operations

PREPARED BY: Michael Coulson, Transit Planner

APPROVED:

Walter Babicz, City Manager

Meeting Date: 2023/05/31