



STAFF REPORT TO COMMITTEE

DATE OF REPORT March 18, 2024
MEETING TYPE & DATE Committee of the Whole of March 27, 2024
FROM: Facilities and Transit
Community Services Department
SUBJECT: Three-Year Transit Expansion Requests (2024 – 2027) Update
FILE: 2240-65 BCT MOU 2024 – 2027

PURPOSE

The purpose of this report is to provide an update on the CVRD's transit expansion requests outlined in the 2024 – 2027 'Three-Year Transit Expansion Plan'.

RECOMMENDED RESOLUTION

For information.

BACKGROUND

Noted in Attachment A is the BC Transit (BCT) – CVRD 'Three-Year Transit Expansion Plan' for 2024 – 2027 requested service expansion in the conventional, custom and interregional (Nanaimo-Cowichan Express) systems. If approved by the Province, these expansions were proposed to be implemented in September 2024.

Transit staff have been notified by BCT that only the custom and interregional service expansion requests have been approved and will receive corresponding Provincial funding (Attachment B).

The requested service expansion for the conventional system did not emerge as a priority through BCT's 'Transit Improvement Program and Expansion Evaluation Process' (Attachment C), which is a process and criteria that BCT uses to evaluate expansion requests and allocate Provincial funding.

ANALYSIS

The approved expansion requests consist of:

- **1,400 annual hours to custom service** originally intended to introduce Sunday service and extend the evening service span. However, in consultation with BCT and our transit operating company (Transdev), some of these hours could be better allocated to peak service times as there is still a significant demand for service during peak times, and there would still be a reasonable number of hours left for introducing basic Sunday service.
- **500 annual hours to the Nanaimo–Cowichan Express (NCX)** to extend evening service on Fridays and Saturdays. This was a recommendation from the 'NCX One-year Post Implementation Service Review'.

The conventional expansion request of 2,700 annual hours that did not receive funding, proposed the following:

- To implement Phase 1 of the South Cowichan Local Area Transit Plan, including improvements to Eagle Heights;
- To introduce Saturday service on Route 7x Cowichan Lake Express; and
- To add a trip to Route 6 – Duncan/Chemainus/Crofton.

The attached letters from BCT (Attachments B and C) cite that there was unprecedented demand from local governments for expansion, and outline the process that BCT utilizes to prioritize communities who received expansion funding. Primarily, the multiple account evaluation process utilized by BCT when allocating provincial funding resources emphasizes areas with high ridership (which has been a key priority for last few years); critical fixes (providing expansion to reduce pass-ups); planning and land use (spread out areas are not as efficient); operational performance; social and economic value; and fleet procurement.

Through this process, the Cowichan Valley conventional system unfortunately did not emerge as a priority. To not receive expansion funding despite the significant amount of time spent over the past few years including two key transit improvement plans, public engagements, and consultation with First Nations, is very disappointing and in staff's opinion limits ridership growth in the region.

The Transit Future Action Plan, which was endorsed in early 2023, proposed improvements over the next five years with the most recent South Cowichan Local Area Transit Plan being a primary action item (requesting expansion hours) which received endorsement in late 2023.

We understand that going forward, BCT will be considering possible modifications to their Expansion Evaluation criteria to balance and better allocate service hours across systems of all sizes. Staff will be providing input to BCT as, in our opinion, more hours are required to improve trip frequency (especially in rural areas) and are necessary to improve ridership and cost recovery. BCT completed a 'Service Optimization Review' in 2022 that also concluded the Cowichan Valley transit system required additional hours to make system improvements.

Coming up later this spring, CVRD Transit staff will again be working with BCT on the annual 'Three-Year Transit Expansion Plan' for 2025 – 2028 to determine expansion requests for the coming years. In past years when we have not received Provincial funding approval, we have usually rolled forward the same request with some minor updates, but we will seek further advice from BCT on how to improve our chances of receiving Provincial funding, and so they can better advocate for CVRD's proposed expansions.

The last time the CVRD received Provincial funding for conventional service expansion was in July 2018 for the 2018/19 year. We received minor funding of \$65,000 (CVRD share) for 1,500 hours to add a few trips on routes on 6, 7 and 2. For the next 3 years, there was no expansion funding due to the pandemic. In 2022/23 we asked for 1,500 hours for improvements to route 5, and most recently for 2023/24 we asked for the same 1,500 hours plus an additional 800 for routes 6 and 7, but this total of 2,300 hours was also recently not approved.

FINANCIAL CONSIDERATIONS

Table 1.0 below outlines the CVRD's share of the estimated costs (net of fare revenues) for the 2024 currently approved expansion initiatives. These costs represent a partial year of service as the custom service expansion is proposed to be implemented in September 2024 and the NCX

expansion is proposed in either September 2024 or January 2025, dependent on the Regional District of Nanaimo (RDN) for scheduling.

Table 1.0

Service	2024 Cost (Partial Year)
Custom	\$17,379
NCX	\$8,896 *
Total	\$26,275

*If implemented in September 2024.

If all CVRD's expansion requests had been approved as requested for 2024, the CVRD share of the 2024 costs would have totalled \$111,832, which would have been funded through the Function 107 operating reserves. However, as not all expansion requests have been approved, this reduces the amount of funding required from the operating reserve by \$85,557, to a total of \$26,275 in 2024 (dependent on when the NCX expansion is implemented).

COMMUNICATION CONSIDERATIONS

None required.

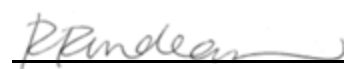
STRATEGIC/BUSINESS PLAN CONSIDERATIONS

The request for Provincial funding for transit service expansion initiatives are supportive of the 2023 – 2026 Corporate Strategic Plan to support and develop the use of alternative transportation opportunities in the region by enhancing and expanding regional transit service as funding allows.

Referred to (upon completion):


- ☐ Community Services (*Cowichan Community Centre, Cowichan Lake Recreation, South Cowichan Recreation, Arts & Culture, Facilities & Transit*)
- ☐ Corporate Services (*Finance, Human Resources, Information Technology, Legislative Services*)
- ☐ Operations (*Utilities, Parks & Trails, Recycling & Waste Management*)
- ☐ Land Use Services (*Community Planning, Strategic Initiatives, Development Services, Building Inspection & Bylaw Enforcement*)
- ☐ Strategic Services (*Communications & Engagement, Economic Development, Emergency Management, Environmental Services*)

Prepared by:


Rachelle Rondeau
Transit Analyst

Reviewed by:


Jim Wakeham
Senior Manager



John Elzinga
General Manager

Reviewed for form and content and approved for submission to the Committee:

Resolution:

☒ Corporate Officer

Financial Considerations:

☒ Chief Financial Officer

ATTACHMENTS:

- Attachment A – Letter from BC Transit dated September 1, 2023 and *Three-Year Transit Expansion Plan* for 2024/25 to 2026/27
Attachment B – Letter from BC Transit dated March 15, 2024
Attachment C – BC Transit Expansion Evaluation Process and Criteria dated June 2021