



STAFF REPORT TO COMMITTEE

DATE OF REPORT January 6, 2021

MEETING TYPE & DATE Community Services Committee of January 13, 2021

FROM: Facilities & Transit Division
Community Services Department

SUBJECT: Interregional Transit Between Cowichan Valley Regional District and
the Regional District of Nanaimo

FILE: 8500-10 RDN

PURPOSE/INTRODUCTION

The purpose of this report is to present BC Transit's Service Discussion Document containing an analysis of potential service options, the results of the public engagement process, and an outline of next steps in consideration of the proposed interregional transit service between the Cowichan Valley Regional District (CVRD) and the Regional District of Nanaimo (RDN).

RECOMMENDED RESOLUTION

That it be recommended to the Board that staff continue the planning and analysis work to support implementation of interregional transit service between the Cowichan Valley Regional District and the Regional District of Nanaimo as described in Option 1 of the staff report to the January 13, 2021 Community Services Committee.

BACKGROUND

Through their respective 'Three-Year Transit Expansion Plans', the CVRD and RDN both have interregional transit service connecting the two regions earmarked for implementation in September 2022 (Attachment B).

Public engagement for the proposed interregional transit service, consisting of a dedicated website and survey, was conducted between September 18 – October 16, 2020, during which time marketing and advertising was interrupted due to the Provincial election. The website and survey remained open, and the engagement process was relaunched with full marketing and advertising from December 4 - 18, 2020. As noted below, response to the survey was positive with 1,951 survey responses having been completed by December 14, 2020. This is a high level of response exceeding the participation level of the Cowichan Valley Transit Future Plan in 2012.

In consideration of the CVRD and RDN's Transit Future Plans, the market study completed by SNC Lavalin in 2015, and the results of the public engagement conducted in 2020, BC Transit has prepared a 'Service Discussion Document' that presents three primary service options for consideration by the Committee (Attachment A). In order to guide continued planning of the service, staff are seeking the Committee's endorsement of a service option.

In order to implement the service as currently proposed in September 2022, a commitment to order the necessary fleet will be required by June 2021. There will be no costs incurred for 2021, but once the service is approved and fleet is ordered, the financial commitment for the fleet lease will commence in September 2022.

Following endorsement of a service option, between January and June 2021, staff will continue working with BC Transit and RDN staff to develop necessary governance and operating agreements detailing

governance structure, operations management, cost and revenue sharing for the Board’s review and approval.

At the May 2021 Community Services Committee meeting, it is expected that the Committee will be requested to approve inclusion of the CVRD – RDN interregional transit service for year one (2022/23) of the ‘Three-Year Transit Expansion Plan’, which will authorize BC Transit to request its provincial share of funding for fiscal year 2022/23 when the service is proposed to be implemented. Additionally, in June 2021 the CVRD will be requested to approve ordering the necessary fleet for the service.

ANALYSIS

Public Engagement

In 2015, when SNC Lavalin first conducted their market analysis, it was expected that the primary ridership market for the proposed interregional service would consist of staff and students commuting from the Cowichan Valley to Vancouver Island University (VIU) Nanaimo Campus. A secondary market for the service was non-commuters accessing the service, primarily from Ladysmith. Results from the public engagement conducted in 2020 illustrated strong interest for the service from residents of Nanaimo (29% of responses), Ladysmith (23% of responses) and Duncan (21% of responses). Use of the service for social/recreation/entertainment and shopping/errands as well as connection to ferries were cited as principal reasons for travel between the two regions. Connection to the Nanaimo Airport was not identified as a principal driver for the service; although it is proposed that the route will include a bus stop at the airport. As post-secondary institutions are currently conducting more of their courses online and only 23% of survey respondents were within the age category of 18 – 34, it is possible that the demand from VIU students could be underrepresented in the 2020 survey results.

The survey indicated that those intending to access the service 5+ days per week (sustained daily ridership) would prefer to travel during peak times. Whereas responses associated with discretionary travel such as recreation, entertainment, shopping, and connection to ferries preferred midday travel. For this reason, the recommended service option (Option 1) suggests a service span that includes higher frequency during peak times (7 a.m. – 9 a.m. and 3 p.m. – 6 p.m.) but includes a trip in the midday to provide additional options for discretionary travel.

Service Options

A key question in the survey was whether the Nanaimo start/end point should be VIU Nanaimo Campus or the Nanaimo downtown transit exchange. Overwhelmingly, respondents indicated a preference to start/end at the Nanaimo downtown transit exchange, which provides connections to many transit routes within the Nanaimo area, including to VIU.

Table 1.0 – Summary of Proposed Service Options

| Option | Weekday Round Trips/ Day | Saturday Round Trips/ Day | Weekday Service Span | Sat Service Span | Frequency peak (min) | Frequency midday (min) | Peak Buses | Annual Weekday Hours | Annual Sat Hours | Total Annual Hours | Est. Annual Revenue | Est. Annual Total Costs | Est. Annual Net Muni Share |
|--------|-----------------------------|------------------------------|----------------------|------------------|----------------------|---------------------------|------------|-------------------------|------------------|--------------------|---------------------|----------------------------|-------------------------------|
| 1 | 7 | 6 | 7 am-8 pm | 6 am-7 pm | 45 | 120-240 | 3 | 4900 | 900 | 5800 | \$ 243,600 | \$ 1,167,074 | \$ 463,111 |
| 2 | 7 | 0 | 6 am-8 pm | N/A | 45-60 | 120-240 | 2 | 4900 | 0 | 4900 | \$ 205,800 | \$ 969,805 | \$ 375,078 |
| 3 | 6 | 0 | 6 am-7 pm | N/A | 135 | 135 | 1 | 4200 | 0 | 4200 | \$ 176,400 | \$ 804,537 | \$ 294,770 |

The above table is an excerpt from BC Transit’s ‘Service Discussion Document’ (Attachment A). Option 1 (recommended) would provide three round trips during the weekday peak periods and one round trip during the midday for a total of seven round trips per day. On Saturday, six roundtrips would be provided.

Cost

Option 1 proposes a total of 5,800 annual hours for the service which would operate Monday – Saturday. This is consistent with the annual hours estimated in CVRD’s recently approved ‘Three-Year Transit Expansion Plan’ (6,000 hours split between two regions). While governance, operations management, cost and revenue agreements between the two regions are yet to be determined, it is estimated that the total annual local government cost for the service would be \$463,111¹, to be cost-shared between the two regions.

Fleet

Option 1 would require three heavy duty buses, either specific type diesel or compressed natural gas (CNG) depending on the operator, for use during peak times and 1 – 3 spare buses for a total of 4 – 6 buses dedicated to the service and cost-shared between the two regions. Further details to be provided in the upcoming months.

Fares

Fares, connection to local transit systems (CVRD and RDN), and the design of any regular rider passes will be part of the next steps. 50% of respondents indicated a preference of \$5.00 – \$7.49 for a one-way fare, 30% of respondents preferred a fare of \$2.50 – \$5.00, and approximately 16% supported a fare of \$7.50 – \$9.99. For reference, the one-way cash fare for the Cowichan Valley Commuter (CVC) between Duncan and the Capital Regional District is \$10.00 with tickets and monthly passes as alternatives to the base cash fare.

Anticipated Next Steps

| Time Period | Deliverables |
|-----------------------------|--|
| January 2021 | CVRD and RDN Committees and Boards endorse proposed service option (Option 1). |
| January – March 2021 | Detailed planning and discussion on governance, operations management, fares, cost and revenue sharing agreements. |
| March/April 2021 | Committee and Board review and approval of governance and operations agreements. |
| May/June 2021 | Approval of interregional transit between CVRD and RDN within year 1 (2022/23) of the ‘Three-Year Transit Expansion Plan’. Approval of fleet order. |
| Spring 2022 | Planning, scheduling, infrastructure development. |
| Fall 2022 | Route implemented. |

¹ 2020 dollars not accounting for inflation

FINANCIAL CONSIDERATIONS

Currently, there is no financial commitment aside from internal staff resources associated with planning the service. Additionally, a bylaw amendment to the Transit Service Establishment Bylaw No. 1450 is not required to implement the interregional transit service.

The anticipated cost of the service depends on the service level and fares established, which will be further refined in the upcoming months. Estimated annual revenue (Table 1.0) has been calculated using \$5.00 as the base one-way fare. The recommended option (Option 1) is estimated to cost local government partners a total of \$463,111², which would be cost-shared between the CVRD and the RDN, on a yet-to-be-determined basis.

The estimated share of the CVRD's cost is included in the current five-year financial plan.

COMMUNICATION CONSIDERATIONS

Discussion between the two regions and BC Transit will be ongoing with further information to be provided to the Committee as noted above.

STRATEGIC/BUSINESS PLAN CONSIDERATIONS

In consideration of the 2020 – 2022 Corporate Strategic Plan, transit plays a role in supporting economic resiliency, security and prosperity for residents of the Cowichan region as an affordable transportation option. The strategic plan identifies the need to cut greenhouse gas emissions and advance alternative transportation options including the implementation of the proposed interregional transit service between the CVRD and the RDN.

GENERAL MANAGER COMMENTS

Not Applicable

Referred to (upon completion):

- Communications & Engagement
- Community Services (*Cowichan Community Centre, Cowichan Lake Recreation, South Cowichan Recreation, Arts & Culture, Emergency Management, 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*)

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² 2020 dollars not accounting for inflation

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

Resolution:

Financial Considerations:

Manager, Legislative Services

Manager, Finance

ATTACHMENTS:

Attachment A – BC Transit Service Discussion Document, January, 2021

Attachment B – Three-Year Transit Expansion Plan, December 3, 2020