

REGIONAL DISTRICT OF NANAIMO

TRANSIT SELECT COMMITTEE

THURSDAY, MAY 17, 2012

12:00 PM

(RDN Committee Room)

A G E N D A

PAGES

CALL TO ORDER

DELEGATIONS

MINUTES

2-11 Minutes of the regular Transit Select Committee meeting held March 22, 2012.

BUSINESS ARISING FROM THE MINUTES

COMMUNICATIONS/CORRESPONDENCE

UNFINISHED BUSINESS

REPORTS

BC Transit Updates. (verbal)

12-28 2012/2013 Annual Operating Agreement – Regional District of Nanaimo / BC Transit.

Update on the Transit Business Plan. (presentation)

2013 Proposed Expansion. (presentation)

ADDENDUM

BUSINESS ARISING FROM DELEGATIONS OR COMMUNICATIONS

NEW BUSINESS

ADJOURNMENT

IN CAMERA

That pursuant to Section 90(1) (g) of the Community Charter the Board proceed to an In Camera Committee meeting to consider items related to legal issues.

Distribution: D. Brennan (Chairperson), J. Stanhope, B. Bestwick, T. Greves, G. Anderson, A. McPherson, D. Willie, M. Lefebvre, G. Holme, M. Young, B. Veenhof, B. Dempsey, T. Graff, D. Holmes, F. Manson, M. Brown, C. Mason, D. Trudeau, D. Pearce, J. Pope, M. Moore (BC Transit)

For information only: H. Houle, J. Fell, J. Ruttan, D. Johnstone, J. Kipp

DISTRICT OF NANAIMO

**MINUTES OF THE TRANSIT SELECT COMMITTEE
MEETING HELD ON THURSDAY, MARCH 22, 2012 AT 12:00 NOON
IN THE COMMITTEE ROOM**

Present:

Director D. Brennan	Chairperson
Director A. McPherson	Electoral Area 'A'
Director M. Young	Electoral Area 'C'
Director G. Holme	Electoral Area 'E'
Director J. Stanhope	Electoral Area 'G'
Director B. Veenhof	Electoral Area 'H'
Director T. Greves	City of Nanaimo
Director G. Anderson	City of Nanaimo
Director M. Lefebvre	City of Parksville
Director B. Dempsey	District of Lantzville

Regrets:

Director B. Bestwick	City of Nanaimo
Director D. Willie	Town of Qualicum Beach

Also in Attendance:

C. Mason	CAO, RDN
D. Trudeau	Gen. Mgr, Transportation & Solid Waste Services, RDN
D. Pearce	Manager, Transit Operations
B. Clemens	City of Nanaimo
M. Moore	BC Transit
F. McFarlane	Recording Secretary, RDN

CALL TO ORDER

The meeting was called to order at 12:00 pm by the Chair.

MINUTES

MOVED Director Holme, SECONDED Director Young that the minutes of the regular Transit Select Committee meeting held November 18, 2011 be adopted. CARRIED

COMMUNICATIONS/CORRESPONDENCE

Correspondence from Miyo Stevens, Nanaimo, re letter of thanks for the new bus stop in Cedar.

MOVED Director Veenhof, SECONDED Director Greves, that the above correspondence be received. CARRIED

Correspondence from Myrna Moore, BC Transit, regarding the Custom Transit Service Area Proposal.

MOVED Director Lefebvre, SECONDED Director Anderson, that the above correspondence be received. CARRIED

D. Trudeau noted correspondence was received from BC Transit regarding a Custom Transit Service Area Proposal. M. Moore stated that this proposal was being forwarded to all local governments. Director McPherson noted the demographics in Electoral Area 'A' and that there is considerable concern being expressed among residents regarding reduction in services. Director Young asked whether there has been an opportunity to analyze how this will affect residents in electoral areas. D. Trudeau indicated that staff could do a report on the impact of BC Transit's Custom Service Proposal.

MOVED Director Holme, SECONDED Director Lefebvre, that staff prepare a report that analyzes the service and financial impacts of the *Custom Service Area Proposal* from BC Transit. CARRIED

BC TRANSIT UPDATE

Myrna Moore, of BC Transit, provided an update on the transit improvement program. Short range options in the Transit Business Plan are for 5,000 service hours for conventional transit and 3,750 hours for custom transit. BC Transit would like to confirm the proposed expansion and are proposing a Memo of Understanding that would be presented at the next Transit Select Committee.

MOVED Director Lefebvre, SECONDED Director Stanhope, that the verbal report from BC Transit be accepted. CARRIED

REPORTS

Transit Overview (*PowerPoint* Presentation).

D. Trudeau and D. Pearce provided *PowerPoint* presentation focusing on an overview of transit. A copy of the presentation is attached.

Director Lefebvre stressed that transportation is the number one priority for the residents of Parksville. With more development in the area the citizens are concerned about transportation planning to keep up with the growth. Director McPherson expressed a desire for community bus service; buses that move around the community. D. Trudeau advised that public meetings would be scheduled in all the electoral areas with regard to future Transit planning.

MOVED Director Stanhope, SECONDED Director Holme, that the report be accepted. CARRIED

Phase II Transit Facility Update.

MOVED Director Greves, SECONDED Director Lefebvre, that the tender for the supply and installation of bus wash equipment be awarded to Westmatic Corporation for the tendered price of \$298,890 plus HST as applicable. CARRIED

2011 – 2012 Annual Operating Agreement Amendment #1.

D. Trudeau introduced the report, noting that this will allow BC Transit to pay for the conventional expansion hours in March.

MOVED Director Holme, SECONDED Director Veenhof, that the Conventional Annual Operating Agreement (AOA) Amendment #1 with BC Transit be approved. CARRIED

ADJOURNMENT

MOVED Director Holme, SECONDED Director Lefebvre, that the meeting be adjourned. CARRIED

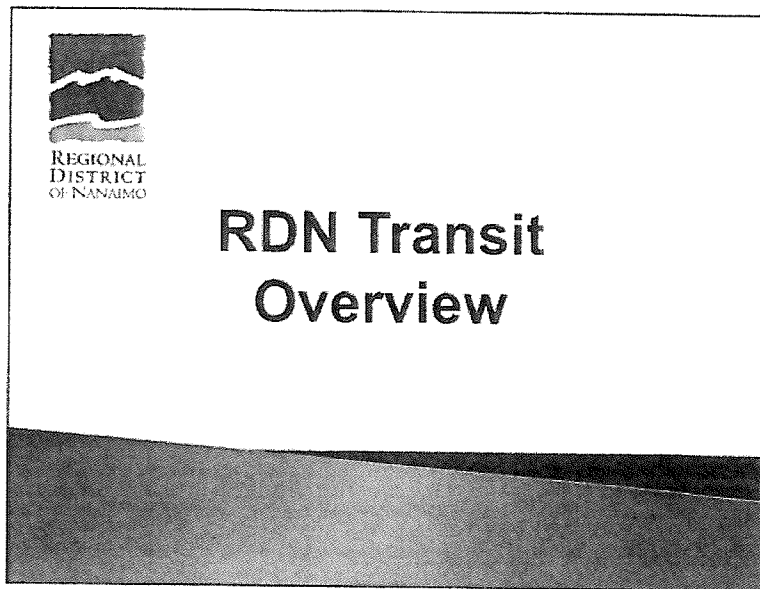
TIME: 1:00 PM

NEXT MEETING

The next meeting of the Transit Select Committee is set tentatively for Thursday, May 17, 2012, in the RDN Committee Room.

CHAIRPERSON

TRANSIT OVERVIEW POWERPOINT PRESENTATION



Background

- In April, 1969 the Regional District of Nanaimo (RDN) signed their first Annual Operating Agreement with BC Transit
- The District 69 Transit function was established by RDN bylaw in 1993
- RDN Transit operates the Conventional Transit and the Custom Transit services for D68 and D69
- Only 4 operating agreements out of 98 are operated by Municipal Governments – all other are private or non-profit companies

Four small images showing different types of transit vehicles: a large white bus, a smaller white van, a white van with a wheelchair lift, and a white van with a wheelchair lift.

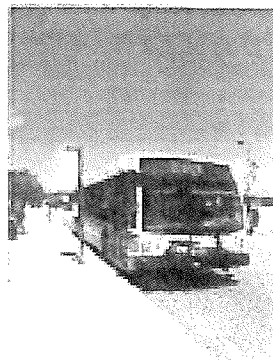
This slide contains a bulleted list of four points regarding the history and operations of RDN Transit. At the bottom, there are four small, square images showing various transit vehicles: a large white bus, a smaller white van, a white van with a wheelchair lift, and another white van with a wheelchair lift.

RDN Transit Structure

- The Transit Function is made up of participants that receive transit services
 - Includes 4 municipalities and 5 Electoral Areas
- Board representatives sit on a Transportation Select Committee and make decisions on Transit related topics
 - Annual Operating Agreements
 - Budgets
 - Schedules
 - Transit Planning
- Decisions made at the Transportation Select Committee are brought forward to the Regular meeting of the Regional District Board to receive final approval

Transit Performance Statistics

- Annual Operating hours: 612,124 (100%)
- Routes operated in 2011: 1,718 (50)
- Miles of bus used in 2011: 1,050,416
- Passengers carried in 2011: 3,749,306 (120% of 2006-2009)
- Conventional buses in the transit fleet: 4
- Electric buses in the transit fleet: 16
- Vehicles travelled: 16



RDN Transit Business Plan

- The RDN Transit Business Plan was approved by the Board in 2008
- The primary goal of the RDN Transit Business Plan is to encourage greater transit ridership
- The objectives for the Nanaimo Regional Transit Business Plan can be grouped into three broad categories:
 - community objectives,
 - passenger service objectives, and
 - financial and performance objectives

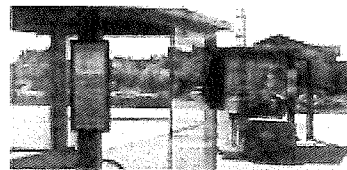
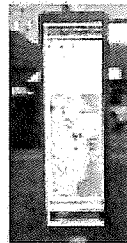
Community Objectives

- Provide transit services to key destinations
- Focus service on the needs of commuters for school, work & other key markets
- Provide service to seniors, persons with disabilities, and youths who are less likely to have access to alternative modes of transportation
- Be environmentally friendly



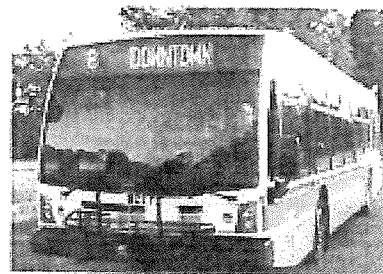
Passenger Service Objectives

- Provide appropriate levels of service (days, weekends, evenings, & statutory holidays)
- Faster, more direct service between major activity centres
- Improve on street facilities including bus shelters, lighting, and transit exchanges
- Improve transit information for customers i.e. info posts at major stops
- Use KPIs to measure performance
- Be on time
- Keep it affordable
- Bus cleanliness




Key Performance Indicators

- Population served
- Service hours per capita
- Passengers per Hour
- Cost per passenger
- Cost recovery
- Operating cost per Hour
- On time performance



Service Design Guidelines

- Service coverage
- Direct service and transfers
- Service frequency
- Span of service
- Service reliability
- Ease of use
- Passenger needs
- Service efficiency



2008 RDN Transit Business Plan

- Business Plan expansions and where we are today

Service Expansion	2008 Budget	Actual 2008	Actual 2009	Actual 2010
Bus Rapid Transit	\$100	\$100	\$100	\$100
Light Rail	\$100	\$100	\$100	\$100
Streetcar	\$100	\$100	\$100	\$100
Paratransit	\$100	\$100	\$100	\$100
Commuter Rail	\$100	\$100	\$100	\$100
Other	\$100	\$100	\$100	\$100
Total	\$1000	\$1000	\$1000	\$1000

Business Plan Update

- Spring, Summer, Fall 2012
- Gathering ridership data in conjunction with the City of Nanaimo's Transportation Plan
- Short range (5 years), Medium Range (10 Years) and Long Range (15+ years) transit plans will be included in the update
- Public consultation including open houses and community stakeholder groups



March 2012 Expansion

- #5 hospital offers more direct service between Liver & Park area and Woodgrove Centre, and more direct service to the industrial park area of SouthMaster
- #6 U University offers more service
- More service to the BC Ferries terminal at Departure Bay
- #8 South & #6 North provide express service on select trips between downtown and BC Ferries
- #15 MVU Connector offers weekend service
- #99 Deep Bay transit service to RDN Electoral Area 1H



Ridership

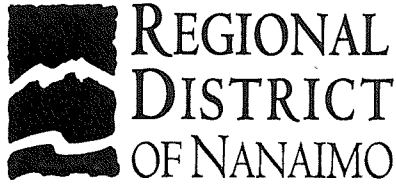
- Week of February 19th to 25th (prior to March service expansion)
 - 46,486 rides
- Week of March 4th to 10th (including March service expansion)
 - 48,819 rides
- 7% ridership increase in the first week of expansion



Future TSC Meetings

- 2012/2013 AOA
- 2013 Expansion
- Transit Business Plan Update
- Special Event Requests
- Capital Project Approval
 - Exchanges etc





RDN REPORT	
CAO APPROVAL <i>(Signature)</i>	
EAP	
COW	
MAY 08 2012	
RHD	
BOARD	

MEMORANDUM

TO: Dennis Trudeau
General Manager, Transportation & Solid Waste Services

FROM: Daniel Pearce
Manager, Transit Operations

SUBJECT: 2012/2013 Annual Operating Agreement –
Regional District of Nanaimo / BC Transit

DATE: May 7, 2012

FILE: 2240-20-TROA

PURPOSE

To bring forward the 2012/2013 Annual Operating Agreement for the Regional District of Nanaimo Conventional and Custom Transit System with BC Transit for consideration and approval.

BACKGROUND

The Annual Operating Agreement (AOA) (*Appendix 1*) between the Regional District of Nanaimo (RDN) and BC Transit is renewed on an annual basis and provides the cost-sharing service arrangements for Conventional and Custom Transit services in Districts 68 and 69 for the period of April 1, 2012 to March 31, 2013.

The AOA is an agreement governing items such as service specifications, payment schedules, fares and days/hours of service that will be provided for cost-sharing purposes. As with previous AOA's, there are costs that fall outside of the scope of the annual agreement. These items include the RDN interdepartmental administration charges, fare product commissions paid to vendors, building rentals, bus stop maintenance, training for existing staff members (drivers), advertising done outside the AOA marketing budget and janitorial services.

Conventional Transit:

The total costs included for Conventional Transit in the AOA for 2012/2013 are \$11,413,700. This represents a \$641,200 (6%) increase from the 2011/2012 budget.

The main changes in the AOA that should be noted include:

CONVENTIONAL	2011/2012 AMENDMENT #1 AOA	2012/2013 AOA	\$ CHANGE	% CHANGE
Fixed Costs (total cost, overhead, admin wages)	\$878,000	\$895,700	\$17,600	2%
Variable Hourly (total cost, drivers' wages and benefits)	\$4,896,100	\$5,231,000	\$334,900	7%
Variable Distance (total cost, fuel and tires)	\$1,602,200	\$1,981,400	\$379,200	24%
Fleet Maintenance (total cost, running, major and accident repairs)	\$1,104,600	\$1,039,900	\$-30,700	-3%
Fleet Insurance (total cost)	\$31,500	\$59,000	\$27,500	87%
Lease Fees (local share, mainly buses)	\$1,058,000	\$1,110,500	\$52,500	5%
BC Transit Management Services (local share)	\$613,900	\$629,300	\$15,400	3%

The costs above reflect a new schedule that was expanded by an additional 5000 hours of annual service in March 2012. The changes noted above are the line items that make up the majority of the overall costs outlined in the AOA. The Conventional Transit costs are cost-shared with BC Transit at a current rate of 46.67%.

The main increases to the 2012/2013 Conventional AOA are for increased variable hourly costs, which include drivers' wages and benefits, costs of fuel and tires and fleet insurance. Fuel costs have increased based on a budget amount of \$1.26 per litre, versus \$1.10 per litre in 2011/2012.

Changes in fleet insurance costs relate to an increase in third party liability and comprehensive general liability insurance rates, property (fleet) damage premiums and claim handling costs. The 2012 expansion included one additional conventional bus vehicle being added to the fleet.

Custom Transit:

The total costs included for Custom Transit in the AOA for 2012/2013 are \$1,694,800. This represents a \$41,800 (3%) increase from the 2011/2012 budget.

The main changes in the AOA that should be noted include:

CUSTOM	2011/2012 AOA	2012/2013 AOA	\$ CHANGE	% CHANGE
Fixed Costs (total cost, overhead, admin wages)	\$195,400	\$199,300	\$3,900	2%
Variable Hourly (total cost, drivers' wages and benefits)	\$837,700	\$856,500	\$18,800	2%
Variable Distance (total cost, fuel and tires)	\$133,800	\$145,200	\$11,400	9%
Fleet Maintenance (total cost, running, major and accident repairs)	\$108,500	\$129,800	\$21,300	20%
Lease Fees (local share, mainly buses)	\$141,900	\$136,000	\$-5,900	-4%
BC Transit Management Services (local share)	\$106,800	\$109,500	\$2,700	2%

The changes noted above are the line items that make up the majority of the overall costs outlined in the AOA. The Custom Transit costs are cost-shared with BC Transit at a current rate of 66.69%.

The main increases to the 2012/2013 Custom AOA are for fleet maintenance. These repair costs will be charged only if there is an actual failure of a component, i.e., engines or fuel injection systems.

ALTERNATIVES

1. That the Board approve the 2012/2013 Conventional and Custom Transit Annual Operating Agreement as presented.
2. That the Board not approve 2012/2013 Conventional and Custom Transit Annual Operating Agreement and provide further direction to staff.

FINANCIAL IMPLICATIONS

Under Alternative 1 the 2012/2013 Conventional and Custom Transit AOA total budget is \$13,108,500, which is an increase of \$683,000 from the 2011/2012 AOA. Transportation Services staff and Financial

Services staff have reviewed these costs and they are in line with the approved RDN 2012 budget for transit services.

Under Alternative 2, if the Board does not approve the AOA, it will remove BC Transit's obligation to cost-share in the service.

SUSTAINABILITY IMPLICATIONS

The Transportation Services Department is working continuously on improving the viability and efficiency of public transit. The Annual Operating Agreement is a fundamental agreement that allows the Regional District of Nanaimo to enter into a cost-sharing arrangement with BC Transit. Residents within the RDN rely on public transit, whether it is for conventional or custom transit. The options provided by public transit enable residents to leave their cars at home while they take the bus to work, to school, to medical appointments or for other equally important reasons.

CONCLUSIONS

BC Transit has forwarded the Annual Operating Agreement covering the period April 1, 2012 to March 31, 2013 for the RDN Conventional and Custom (handyDART) Transit services. Transportation Services staff and Financial Services staff have reviewed this AOA in conjunction with the approved RDN 2012 budget for transit services.

The 2012/2013 Conventional and Custom Transit AOA indicates a budget of \$13,108,500 that is cost-shared between the RDN and BC Transit. Staff have reviewed the AOA costs for Conventional Transit and these can be explained by increased costs due to inflation and actual increases in service.

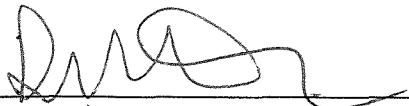
Staff recommend that the Board approve the 2012/2013 Conventional and Custom Transit Annual Operating Agreement with BC Transit.

RECOMMENDATION

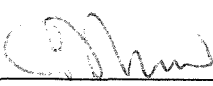
That the 2012/2013 Conventional and Custom Annual Operating Agreement (AOA) with BC Transit be approved.



Report Writer



General Manager Concurrence



CAO Concurrence

APPENDIX 1

NANAIMO

ANNUAL OPERATING AGREEMENT

Between

THE REGIONAL DISTRICT OF NANAIMO

And

BRITISH COLUMBIA TRANSIT

APRIL 1, 2012 TO MARCH 31, 2013

INFORMATION CONTAINED IN SCHEDULE "C" – BUDGET AND SCHEDULE "D" – PAYMENT SCHEDULE IS SUBJECT TO FREEDOM OF INFORMATION & PROTECTION OF PRIVACY ACT.

CONSULT WITH BC TRANSIT PRIOR TO RELEASING INFORMATION IN THESE SCHEDULES TO INDIVIDUALS OR COMPANIES OTHER THAN THOSE WHO ARE PARTY TO THIS AGREEMENT.

TABLE OF CONTENTS
ANNUAL OPERATING AGREEMENT

Page

SECTION 1 - DEFINITION OF TERMS.....	2
SECTION 2 - INCORPORATION OF MASTER AGREEMENT.....	2
SECTION 3 - TERM & RENEWAL.....	4
SECTION 4 - SCHEDULES.....	4
SECTION 5 - MISCELLANEOUS PROVISIONS.....	4
SECTION 6 - NOTICES AND COMMUNICATIONS.....	5

SCHEDULES

SCHEDULE "A" - TRANSIT SERVICE AREA.....	7
SCHEDULE "B" - SERVICE SPECIFICATIONS.....	8
SCHEDULE "C" - BUDGET.....	10
SCHEDULE "D" - PAYMENT SCHEDULE.....	12
SCHEDULE "E" - TARIFF-FARES.....	13

Nanaimo A.O.A.

2

2012/13

ANNUAL OPERATING AGREEMENT

BETWEEN: THE REGIONAL DISTRICT OF NANAIMO
(the "Municipality" and the "Operating Company")

AND: BRITISH COLUMBIA TRANSIT
(the "Authority")

WHEREAS the Municipality and the Authority are authorized to share in the costs of providing a Public Passenger Transportation System pursuant to the British Columbia Transit Act

WHEREAS the Municipality is authorized to operate, manage and maintain a Public Passenger Transportation System within the Nanaimo Regional Transit Service Area.

WHEREAS the parties hereto have entered into a Master Operating Agreement effective which sets out the general rights and responsibilities of the parties hereto

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

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

SECTION 1 – DEFINITION OF TERMS

- 1.1 Definitions: Unless agreed otherwise in the Annual Operating Agreement, the definitions set out in the Master Agreement shall apply to this Annual Operating Agreement including:
- (a) "Annual Operating Agreement" shall mean this Annual Operating Agreement and any Annual Operating Agreement Amendment negotiated and entered into by the parties subsequent hereto;
 - (b) "Master Agreement" shall mean the Master Joint Operating Agreement, including any amendments made thereto;

SECTION 2 – INCORPORATION OF MASTER AGREEMENT

- 2.1 Incorporation of Master Agreement into Annual Operating Agreement: Upon execution, this Annual Operating Agreement shall be deemed integrated into the Master Agreement and thereafter the Master Agreement and the current 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.
- 2.2 Amendments to Master Agreement: The parties agree to amend the Master Agreement as follows:
- (a) To remove Section 13 in its entirety and replace it with the following:

"SECTION 13 - INSURANCE

13.1 Insurance: The Operating Company and the Authority shall purchase and maintain in force throughout the term of this Master Agreement, insurance policies covering the perils specified herein as set out below. As evidence of insurance coverage, the Operating Company shall deposit with the Authority, copies of the insurance policies the Operating Company is required to purchase in accordance with this Master Agreement and the Annual Operating Agreement.

13.2 Minimum Insurance Coverage Requirements: The following insurance coverage shall be purchased and maintained throughout the term of this Master Agreement and the Annual Operating Agreement:

1. Vehicle Insurance:
 - a) The Operating Company shall purchase and maintain insurance on all vehicles used by the Operating Company in the operation of the Public Passenger Transportation System under this Master Agreement as follows:
 - i) Third party liability insurance of Five Million Dollars (\$5,000,000.00) per occurrence purchased from the Insurance Corporation of British Columbia.
 - b) The Authority shall purchase and maintain insurance on all revenue vehicles used by the Operating Company in the operation of the Public Passenger Transportation System under this Master Agreement as follows:
 - i) Third Party Liability insurance in excess of Five Million Dollars (\$5,000,000.00) to a minimum limit of Twenty-Five Million Dollars (\$25,000,000.00).
 - ii) Collision or upset insurance \$5,000.00 deductible.
 - iii) Comprehensive insurance covering hazards such as fire, theft, vandalism, glass breakage, falling trees, wind-storms, etc. \$500.00 deductible.
2. Physical Assets Leased from the Authority : (where applicable)
 - a) The Authority shall purchase and maintain insurance on all Physical Assets leased from the Authority, pursuant to the terms of the individual lease agreements with the Operating Company and respecting said Physical Assets.
 - b) Without limiting the generality of the foregoing, such insurance shall be in the name of the Authority and shall include a waiver of subrogation against the Operating Company. The insurance shall be in accordance with the laws in force and in effect in the Province of British Columbia and Canada.
 - c) The amount of such insurance for the respective categories of Physical Assets shall be not less than as follows:
 - i) Buildings and Structures Including Leasehold Improvements. The Authority shall purchase and maintain insurance on all buildings and structures on a standard all risk form including boiler explosion, flood and earthquake where applicable, in an amount not less than the full replacement value thereof as determined by the Authority.
 - ii) Other Chattels and Equipment. The Operating Company shall purchase and maintain insurance on all chattels and equipment not otherwise insured under this Schedule against loss or damage from all risks, in an amount not less than the full replacement value thereof.
 - d) The Authority may, in its sole discretion, self insure part or all of the insurance requirements hereunder.
3. Physical Assets Owned by the Operating Company or Leased from a Party other than the Authority
 - a) The Operating Company shall purchase and maintain insurance on all Physical Assets owned or leased by them from a party other than the Authority, to the same extent as specified in Section (2), above, except that contrary to Section (2) the Operating Company shall determine the full replacement value thereof.
4. Comprehensive General Liability Insurance:
 - a) The Authority shall take out and maintain comprehensive general liability insurance (CGL) covering the operation of the Public Passenger Transportation System specified in Schedule "B" of the Annual Operating Agreement on an occurrence basis in an amount not less than Twenty-Five Million Dollars (\$25,000,000.00). Such insurance shall include the Operating Company and the Municipality as an additional insured party and further, the policy shall apply to each insured in the same manner and to the same extent as if a separate policy has been issued to each of the insured parties.
 - b) The Authority's CGL does not extend to cover non-transit activities a company may be engaged in. If the Operating Company performs work outside of the terms of this Master Agreement and/or the Annual Operating Agreement, the Operating Company will require separate insurance coverage for that work which provides a waiver of subrogation in favour of BC Transit.

5. Additional Covenants:

- a) The Operating Company covenants that it shall not knowingly permit, suffer, allow or connive at the use or operation of any vehicle in respect of this Master Agreement by any person, or in any way, or for any purpose, contrary to the provisions of this Master Agreement or the provisions of the Insurance (Vehicle) Act or any other applicable legislation and related regulations. The Operating Company shall indemnify and save harmless the Authority from any breach of this covenant.
- b) It is mutually understood and agreed that the responsibilities to acquire and maintain policies of insurance pursuant to this Master Agreement and/or the Annual Operating Agreement shall be restricted and limited to the provisions of this Section 13."

SECTION 3 – TERM AND RENEWAL

- 3.1 Term and Renewal: The term of this agreement shall be from April 1, 2012 to March 31, 2013 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 Master Agreement shall likewise be terminated or not renewed, as the case may be.

SECTION 4 – SCHEDULES

- 4.1 Schedules: The schedules attached hereto shall form part of the Annual Operating Agreement and be binding upon the parties hereto as though they were incorporated into the body of this Agreement.
- a) Schedule "A" – Transit Service Area
 - b) Schedule "B" - Service Specifications
 - c) Schedule "C" - Budget
 - d) Schedule "D" – Payment Schedule
 - e) Schedule "E" – Tariff-Fares

SECTION 5 – MISCELLANEOUS PROVISIONS

- 5.1 Amendment: This Annual Operating Agreement and the Schedules attached hereto may be amended only with the prior written consent of all parties.
- 5.2 Assignment: This Annual Operating Agreement shall not be assignable without the prior written consent of the other parties.
- 5.3 Enurement: The Annual Operating Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors.
- 5.4 Pets on Buses: Notwithstanding the provisions of Section 9.7 of the Master Joint Operating Agreement, pets on buses are permitted under guidelines agreed to by the parties to this agreement.
- 5.5 Alternative Funding Arrangements: For the period beginning on April 1, 2012 and ending on March 31, 2013, the Municipality shall contribute 100% of the Municipal Flex Funded amount identified in Schedule C, and the Municipality and the Authority shall share the balance of the remaining costs according to their funding contribution shares as per Section 7 of the British Columbia Transit Regulation, B.C. Reg 30/91.

Nanaimo A.C.A.

5

2012/13

SECTION 6 – NOTICES AND COMMUNICATION

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 responsible officer of the party hereto to whom it is addressed or if mailed by prepaid registered mail, to:

Regional District of Nanaimo
c/o Manager of Transportation Services
6300 Hammond Bay Road
Nanaimo, BC V9T 6N2

and to

BC Transit
c/o Chief Operating Officer
520 Gorge Road East
Victoria, BC V8W 2P3

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

Nanaimo A.O.A.

6

2012/13

IN WITNESS WHEREOF the parties hereto have hereunto set their hands and seals and where a party is a corporate entity the seal of such party has been affixed hereto in the presence of its duly authorized officer this day of

THE CORPORATE SEAL OF THE
REGIONAL DISTRICT OF NANAIMO has
been hereto affixed in the presence of:

	Initial	Date
Content (Mgr)		
Approved (GM)		
Legal Form (SMCA)		
Authority (CAO)		

THE COMMON SEAL OF **BRITISH
COLUMBIA TRANSIT**
has been hereto affixed in the presence of:

CHIEF OPERATING OFFICER

CHIEF FINANCIAL OFFICER

SCHEDULE "A" - Transit Service Area Boundaries

The boundaries of the Municipal Transit Service Area shall be defined as follows:

The boundaries of the Nanaimo Regional Transit Service Area shall include the corporate boundaries of the City of Nanaimo, the City of Parksville, the Town of Qualicum Beach and the District of Lantzville and Electoral Areas A, D, E, G and H of the Regional District of Nanaimo.

Nanaimo A.O.A.

8

2012/13

SCHEDULE "B" – Service Specifications

Nanaimo Regional Base Budget Official AOA 2012/2013

Schedule 'B'

Effective Apr 01, 2012

Scheduled Revenue Service

12/13 Apr to Jun (Apr 01, 2012 to Jun 29, 2012)											
	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Apr 09, 2012	May 21, 2012		
Hrs/Day	357 23	357 23	357 23	357 23	358 98	258 40	136 15	136 15	136 15		
Kms/Day	6,519 92	6,519 92	6,519 92	6,519 92	8,570 31	6,135 99	3,635 79	3,635 79	3,635 79		
12/13 Jun to Sep (Jun 30, 2012 to Sep 01, 2012)											
	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Jul 01, 2012	Jul 02, 2012	Aug 06, 2012	
Hrs/Day	304 00	304 00	304 00	304 00	304 00	258 40	136 15	136 15	136 15	136 15	
Kms/Day	7,304 94	7,304 94	7,304 94	7,304 94	7,347 83	6,135 99	3,635 79	3,635 79	3,635 79	3,635 79	
12/13 Sep to Dec (Sep 02, 2012 to Dec 22, 2012)											
	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Sep 03, 2012	Oct 08, 2012	Nov 11, 2012	Nov 12, 2012
Hrs/Day	357 23	357 23	357 23	357 23	358 98	258 40	136 15	136 15	136 15	136 15	136 15
Kms/Day	6,519 92	6,519 92	6,519 92	6,519 92	8,570 31	6,135 99	3,635 79	3,635 79	3,635 79	3,635 79	3,635 79
12/13 Dec to Jan (Dec 23, 2012 to Jan 05, 2013)											
	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Dec 26, 2012			
Hrs/Day	304 00	304 00	304 00	304 00	304 00	258 40	136 15	136 15			
Kms/Day	7,304 94	7,304 94	7,304 94	7,304 94	7,347 83	6,135 99	3,635 79	3,635 79			
12/13 Jan to Mar (Jan 06, 2013 to Mar 31, 2013)											
	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Feb 18, 2013			
Hrs/Day	357 23	357 23	357 23	357 23	358 98	258 40	136 15	136 15			
Kms/Day	6,519 92	6,519 92	6,519 92	6,519 92	8,570 31	6,135 99	3,635 79	3,635 79			

Extra Revenue Service

	Apr 2012	May 2012	Jun 2012	Jul 2012	Aug 2012	Sep 2012	Oct 2012	Nov 2012	Dec 2012	Jan 2013	Feb 2013	Mar 2013
Extra Overload Hours	33 00	33 00	33 00	28 00	28 00	693 00	693 00	693 00	693 00	693 00	693 00	693 00
Extra Overload Kilometres	693 00	693 00	693 00	588 00	588 00	693 00	693 00	693 00	693 00	693 00	693 00	693 00
Extra Special Events Hours				45 89								
Extra Special Events Kilometres				548 24								

Adjusted Revenue Service

	Apr 2012	May 2012	Jun 2012	Jul 2012	Aug 2012	Sep 2012	Oct 2012	Nov 2012	Dec 2012	Jan 2013	Feb 2013	Mar 2013

2012/2013 Calendar Specification

Period	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Exceptions	Total	Exception Days
Apr 01, 2012 to Apr 30, 2012	4	4	4	4	3	4	5		30	Apr 06, 2012 Good Friday 2012 (Fri)
May 01, 2012 to May 31, 2012	3	5	5	5	4	4	4		31	Apr 09, 2012 Easter Monday 2012 (Mon)
Jun 01, 2012 to Jun 29, 2012	4	4	4	4	5	4	4		29	May 21, 2012 Victoria Day 2012 (Mon)
Jun 30, 2012 to Jun 30, 2012	0	0	0	0	0	1	0		1	Jul 01, 2012 Canada Day 2012 (Sun)
Jul 01, 2012 to Jul 31, 2012	4	5	4	4	4	4	4		31	Jul 02, 2012 Canada Day Stat 2012 (Mon)
Aug 01, 2012 to Aug 31, 2012	3	4	5	5	5	4	4		31	Aug 06, 2012 BC Day 2012 (Mon)
Sep 01, 2012 to Sep 01, 2012	0	0	0	0	0	1	0		1	Sep 03, 2012 Labour Day 2012 (Mon)
Sep 02, 2012 to Sep 30, 2012	3	4	4	4	4	4	5		29	Oct 06, 2012 Thanksgiving Day 2012 (Mon)
Oct 01, 2012 to Oct 31, 2012	4	5	5	4	4	4	4		31	Nov 11, 2012 Remembrance Day 2012 (Sun)
Nov 01, 2012 to Nov 30, 2012	3	4	4	5	5	4	3		30	Nov 12, 2012 Remembrance Day Stat 2012 (Mon)
Dec 01, 2012 to Dec 22, 2012	3	3	3	3	3	4	3		22	Dec 25, 2012 Christmas Day 2012 (Tue)
Dec 23, 2012 to Dec 31, 2012	2	0	0	1	1	1	2		9	Dec 26, 2012 Boxing Day 2012 (Wed)
Jan 01, 2013 to Jan 05, 2013	0	0	1	1	1	1	0		5	Jan 01, 2013 New Year's Day 2013 (Tue)
Jan 06, 2013 to Jan 31, 2013	4	4	4	4	4	4	4		26	Feb 16, 2013 Family Day 2013 (Mon)
Feb 01, 2013 to Feb 28, 2013	3	4	4	4	4	4	4		26	Mar 29, 2013 Good Friday 2013 (Fri)
Mar 01, 2013 to Mar 31, 2013	4	4	4	4	4	4	5		31	
Total	46	50	51	52	50	52	51	15	365	15 Exceptions

Monthly Summary

Month	Revenue Hours				Revenue Kilometers			
	Scheduled	Extra	Adjusted	Total	Scheduled	Extra	Adjusted	Total
April, 2012	6,643 12	33 00		6,676 12	206,366 35	693 00		209,091 35
May, 2012	5,580 41	33 00		5,613 41	230,362 71	693 00		231,055 71
June, 2012	5,347 18	33 00		5,380 18	224,393 38	693 00		225,086 38
July, 2012	6,234 50	73 69		6,308 19	199,634 00	1,134 24		201,066 24
August, 2012	6,402 35	28 00		6,430 35	205,646 04	588 00		204,234 04
September, 2012	6,503 27	33 00		6,536 27	214,574 73	693 00		215,267 73
October, 2012	5,580 41	33 00		5,613 41	230,362 71	693 00		231,055 71
November, 2012	6,224 93	33 00		6,257 93	221,693 18	693 00		222,585 18
December, 2012	6,668 63	33 00		6,721 63	206,707 31	693 00		210,400 31
January, 2013	5,282 62	33 00		5,315 62	225,074 48	693 00		223,767 48
February, 2013	6,598 72	33 00		6,641 72	204,602 55	693 00		205,495 55
March, 2013	5,124 35	33 00		5,157 35	216,458 66	693 00		220,151 66
Total	107,520 66	431 69	0 00	107,952 35	2,580,566 70	6,652 24	0 00	2,586,250 94

Nanaimo A.O.A.

9

2012/13

SCHEDULE "B" – Service Specifications

Nanaimo Custom Base Budget Official AOA 2012/2013

Schedule 'B'
 Effective Apr 01, 2012

Scheduled Revenue Service

12/13 Full Year (Apr 01, 2012 to Mar 31, 2013)									
	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Jul 02, 2012	Nov 12, 2012
Hrs/Day	86 00	80 00	92 00	80 00	80 00	32 00	6 00	32 00	32 00
Kms/Day	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00

Flexible Hours

	Apr. 2012	May, 2012	Jun. 2012	Jul. 2012	Aug. 2012	Sep. 2012	Oct. 2012	Nov. 2012	Dec. 2012	Jan. 2013	Feb. 2013	Mar. 2013
	40 00	40 00	40 00	40 00	40 00	40 00	40 00	40 00	40 00	40 00	40 00	40 00

Extra Revenue Service

	Apr. 2012	May, 2012	Jun. 2012	Jul. 2012	Aug. 2012	Sep. 2012	Oct. 2012	Nov. 2012	Dec. 2012	Jan. 2013	Feb. 2013	Mar. 2013

Adjusted Revenue Service

	Apr. 2012	May, 2012	Jun. 2012	Jul. 2012	Aug. 2012	Sep. 2012	Oct. 2012	Nov. 2012	Dec. 2012	Jan. 2013	Feb. 2013	Mar. 2013

2012/2013 Calendar Specification

Period	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Exceptions	Total	Exception Days
Apr 01, 2012 to Apr 30, 2012	4	4	4	4	3	4	5	2	30	Apr 06, 2012 Good Friday 2012 (Fri)
May 01, 2012 to May 31, 2012	3	5	5	5	4	4	4	1	31	Apr 09, 2012 Easter Monday 2012 (Mon)
Jun 01, 2012 to Jun 30, 2012	4	4	4	4	5	5	4	0	30	May 21, 2012 Victoria Day 2012 (Mon)
Jul 01, 2012 to Jul 31, 2012	4	5	4	4	4	4	4	2	31	Jul 01, 2012 Canada Day 2012 (Sun)
Aug 01, 2012 to Aug 31, 2012	3	4	5	5	5	4	4	1	31	Jul 02, 2012 Canada Day Stat 2012 (Mon)
Sep 01, 2012 to Sep 30, 2012	3	4	4	4	4	5	5	1	30	Aug 06, 2012 BC Day 2012 (Mon)
Oct 01, 2012 to Oct 31, 2012	4	5	5	4	4	4	4	1	31	Sep 03, 2012 Labour Day 2012 (Mon)
Nov 01, 2012 to Nov 30, 2012	3	4	4	4	5	4	3	2	30	Oct 08, 2012 Thanksgiving Day 2012 (Mon)
Dec 01, 2012 to Dec 31, 2012	5	3	3	4	4	5	5	2	31	Nov 11, 2012 Remembrance Day 2012 (Sun)
Jan 01, 2013 to Jan 31, 2013	4	4	4	5	5	4	4	1	31	Nov 12, 2012 Remembrance Day Stat 2012 (Mon)
Feb 01, 2013 to Feb 28, 2013	5	4	4	4	4	4	4	1	28	Dec 25, 2012 Christmas Day 2012 (Tue)
Mar 01, 2013 to Mar 31, 2013	4	4	4	4	4	5	5	1	31	Dec 26, 2012 Boxing Day 2012 (Wed)
Total	44	50	51	52	50	52	51	15	365	15 Exceptions

Monthly Summary

Month	Custom Transit								
	Revenue Hours				Revenue Kilometers				
	Scheduled	Extra	Flexible	Adjusted	Total	Scheduled	Extra	Adjusted	Total
April, 2012	1,760 00		40 00		1,800 00	0 00			0 00
May, 2012	1,999 00		40 00		2,039 00	0 00			0 00
June, 2012	1,944 00		40 00		1,984 00	0 00			0 00
July, 2012	1,944 00		40 00		1,984 00	0 00			0 00
August, 2012	1,999 00		40 00		2,039 00	0 00			0 00
September, 2012	1,765 00		40 00		1,805 00	0 00			0 00
October, 2012	2,004 00		40 00		2,044 00	0 00			0 00
November, 2012	1,930 00		40 00		1,970 00	0 00			0 00
December, 2012	1,765 00		40 00		1,805 00	0 00			0 00
January, 2013	2,004 00		40 00		2,044 00	0 00			0 00
February, 2013	1,745 00		40 00		1,785 00	0 00			0 00
March, 2013	1,872 00		40 00		1,912 00	0 00			0 00
Total	22,772 00	0 00	480 00	0 00	23,252 00	0 00	0 00	0 00	0 00

Nanaimo A.O.A.

10

2012/13

Schedule C

Nanaimo Regional Conventional Transit

	Official AOA 2012/2013
TRANSIT REVENUE	
Farebox Cash	\$1,388,752
Tickets & Passes	\$1,767,503
BC Bus Pass	\$746,031
Advertising	\$49,221
TOTAL REVENUE	\$3,951,507
EXPENDITURES	
Fixed Costs	\$895,658
Variable Hourly Costs - Scheduled Service	\$5,210,143
Variable Hourly Costs - Extra Service	\$20,920
Variable Fuel Costs - Scheduled Service	\$1,906,734
Variable Fuel Costs - Extra Service	\$6,368
Variable Tire Costs - Scheduled Service	\$68,045
Variable Tire Costs - Extra Service	\$228
Fleet Maintenance	\$1,039,867
Accident Repairs	\$33,990
ICBC Insurance	\$103,580
Fleet Insurance	\$58,954
Information Systems	\$25,936
H.S.T.	\$36,945
TOTAL DIRECT OPERATING COSTS	\$9,407,368
Training (Education & Seminars)	\$14,703
Marketing	\$79,568
Municipal Administration	\$172,218
BCT Management Services	\$629,268
TOTAL OPERATING COSTS	\$10,303,125
Lease Fees - Vehicles (Local Share)	\$1,175,816
Lease Fees - Equipment (Local Share)	\$50,148
Lease Fees - PTIP (Local Share)	-\$115,425
TOTAL LEASE FEES - LOCAL SHARE	\$1,110,539
TOTAL COSTS	\$11,413,663
COST SHARING	
Municipal Share of Costs	\$6,135,073
Municipal Flex Funded Amount	\$878,000
Less: Total Revenue	\$3,951,507
Less: Municipal Administration	\$172,218
Net Municipal Share of Costs	\$2,889,347
Authority Share of Costs*	\$4,400,591
STATISTICS	
Scheduled Revenue Hours	107,520.66
Extra Revenue Hours	431.69
Scheduled Revenue Kilometres	2,590,598.70
Extra Revenue Kilometres	8,652.24
Total Passengers	2,748,089
<i>Conventional Passengers</i>	<i>2,748,089</i>

*Does not include Authority share of Lease Fees

Schedule C

Nanaimo Custom Transit

	Official AOA 2012/2013
TRANSIT REVENUE	
Farebox Cash	\$219,552
TOTAL REVENUE	\$219,552
EXPENDITURES	
Fixed Costs	\$199,314
Variable Hourly Costs - Scheduled Service	\$856,534
Variable Fuel Costs - Scheduled Service	\$145,152
Variable Tire Costs - Scheduled Service	\$7,591
Fleet Maintenance	\$88,176
Major Repairs Contingency	\$39,000
Accident Repairs	\$2,575
Taxi Supplement	\$40,000
Taxi Saver Program	\$20,000
Taxi Saver Recoveries	-\$10,000
ICBC Insurance	\$13,776
Fleet Insurance	\$4,408
H.S.T.	\$6,258
TOTAL DIRECT OPERATING COSTS	\$1,412,785
Training (Education & Seminars)	\$3,172
Marketing	\$5,305
Municipal Administration	\$28,028
BCT Management Services	\$109,480
TOTAL OPERATING COSTS	\$1,558,769
Lease Fees - Vehicles (Local Share)	\$135,162
Lease Fees - Equipment (Local Share)	\$833
TOTAL LEASE FEES - LOCAL SHARE	\$135,995
TOTAL COSTS	\$1,694,763
COST SHARING	
Municipal Share of Costs	\$613,921
Municipal Flex Funded Amount	\$123,984
Less: Total Revenue	\$219,552
Less: Municipal Administration	\$28,028
Net Municipal Share of Costs	\$490,326
Authority Share of Costs*	\$956,858
STATISTICS	
Scheduled Revenue Hours	23,252.00
Total Passengers	71,486
Custom/Para Passengers - Vans	67,491
Custom/Para Passengers - Taxi Supplement	2,208
Taxi Saver Passengers	1,787

*Does not include Authority share of Lease Fees

Schedule "D" - Payment Schedule

Nanaimo Regional Conventional Transit and Custom Transit 2012/2013 AOA BUDGET

1) Payment Schedule

The Authority agrees to pay the Operating Company a monthly payment on the following basis:

a) for Specified Service in Schedule "B":

- i) \$74,638.19 for Fixed Monthly Payment for conventional transit service; plus
- ii) \$16,609.49 for Fixed Monthly Payment for custom transit service; plus
- iii) \$48.46 per Revenue Hour for conventional transit service; plus
- iv) \$36.84 per Revenue Hour for custom transit service; plus
- v) \$0.7360 per Revenue Kilometre for fuel for conventional transit service; plus
- vi) \$0.0263 per Revenue Kilometre for tires for conventional transit service.

b) for Deleted Fixed Costs as outlined in Section 6 (2), an amount equal to 1/365 of the Fixed Monthly Costs amount contained in Schedule "C" shall be deducted for each day or part day.

c) for Added Service or Deleted Service within the regular hours of system operation specified in Schedule "B":

- i) \$48.46 per Revenue Hour for conventional transit service; plus
 - ii) \$36.84 per Revenue Hour for custom transit service; plus
 - iii) \$0.7360 per Revenue Kilometre for fuel for conventional transit service.
 - iv) \$0.0263 per Revenue Kilometre for tires for conventional transit service.
- with allowance for wage premium payments (up to 1.5 times the regular Revenue Hour payment), if applicable, when service is added beyond the regular hours of operation.

d) for Maintenance:

- i) \$42.32 per hour for labour by a licensed mechanic for the maintenance of transit vehicles.

e) for fuel costs, in the event diesel fuel costs should exceed \$1.2600 / litre a payment will be made in accordance with Section 6 (3) of this agreement to compensate the Operating Company for the actual cost of all diesel fuel consumed to a maximum of 1,513,281.15 litres for Scheduled Revenue Kilometres in Schedule "B". This maximum number of litres will be adjusted in proportion to Extra or Deleted Revenue Service Kilometres.

f) Prior to conducting a Special Group Trip, the Operating Company must apply for and receive from BC Transit, a pre-approval to conduct the trip, the cost recovery rates to be charged and the method of payment.

Information contained in Schedule "C" - Budget and Schedule "D" - Payment Schedule is subject to the Freedom of Information and Protection of Privacy Act.

Consult with BC Transit prior to releasing information in these Schedules to individuals or companies other than those who are party to the Agreement.

SCHEDULE "E" – Tariff-Fares

Fare Zones:

The boundaries of fare zones for this Tariff are described as follows:

Zone 1 - Regional District of Nanaimo

This zone encompasses that area within the existing transit service area.

Fares:

Conventional Transit Service:

Effective as of March 1, 2012

	<u>Zone 1</u>
a) Single Cash Fares:	
i) Adult	\$2.50
ii) Senior	\$2.25
iii) Youth (6-18 yrs)	\$2.25
iv) University Student	\$2.50
iv) Child under 6 years,	Free when accompanied by an adult.
v) Accessible Transit Attendant,	Free
b) Tickets:	
i) 10 x \$2.50 fares, sold for	\$22.50
ii) 10 x \$2.25 fares, sold for	\$20.25
c) BC Bus Pass valid for the current calendar year and available through the Government of British Columbia BC Bus Pass Program.	
c) CNIB Identification Card available from the local office of the CNIB.	
d) BC Transit Employee Bus Pass	
e) One-Day Pass:	
i) Adult	\$6.25
ii) University Student**	\$6.25
ii) Senior/Youth	\$5.50
f) Monthly Pass	
i) Adult	\$67.50
ii) University Student**	\$55.00
iii) Senior/Youth	\$41.00
g) University Student Semester Pass	\$176.00

**Passes are available on VIU campus only.

Custom Transit Service:

Effective April 1, 2007

Registered User and Companion:

a) 5 Prepaid Tickets	\$17.50
b) 20 Prepaid Tickets	\$65.00
Attendant accompanying registered user	Free

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