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## City of Kelowna

# MEMORANDUM

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DATE: June 18, 2003  
FILE: 2240-20  
TO: City Manager  
FROM: Regional Transportation Committee  
RE: **2003 Supplementary Funding & Transit Fares**

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### **RECOMMENDATION:**

THAT Council approve transit service efficiency measures and application to the Provincial Government for supplementary transit program funding to provide for additional extra service hours;

AND THAT Council approve a fare increase for Custom Transit, effective July 1, and for Conventional Transit, effective September 1, as per the attached schedules.

### **Background & Comments**

The Provincial Government had frozen funding for BC Transit at the 2002 expenditure level. This necessitated a review of transit services to find efficiencies and determine the lower priority service areas for potential service hour cuts. The Province has now committed some additional interim, one-time funding to protect existing core transit services. This funding is contingent upon matching funds from the local governments, at current cost sharing ratios, and the achievement of cost saving efficiencies within the local system. The Province has also approved the option for local governments to vary from the existing fixed funding formula and fund a higher share of the transit budget (100% of new service compared to the existing 53.3%).

### **Conventional Transit Service**

The total cost required to maintain core transit service levels for the Kelowna Regional Transit system is \$190,074. Under the interim funding proposal the Province will provide \$59,164, the local governments \$67,552 and service efficiencies of \$63,358 will be required. The cost increase to the City of Kelowna is approximately \$50,600.

The proposed service efficiencies were provided to Council in April as part of the Annual Operating Agreement. A detailed update of the changes is provided in the attached report from BC Transit. These service hour reductions will exceed the service efficiency requirements by approximately 1,460 hours. **It is recommended that these additional hours be added back as extra service hours to ensure system reliability.** Maintaining the transit schedule over the busy summer months, where increased tourist traffic and construction delays create operational difficulties, is critical to preserving the reliability of the core transit service.

### **Custom Transit Service**

The total additional cost required for the Custom Transit system is \$25,000. Under the interim funding proposal the Province will provide \$11,115, local governments \$5,552 and service efficiencies of \$8,333 will be required.

The earlier proposal for reducing the Taxi Supplement budget provided cost savings of \$38,000 and will now not need to be cut as significantly. Additional service hours, increases to the Taxi Saver program and partial restoration of the Taxi Supplement budget can now proceed.

### **Fare Changes**

The last change to Conventional Transit fares was on September 1, 2000. This recommendation is to increase the cash fare by \$0.25, sheet of 10 tickets by \$1.50, day passes by \$0.50 and monthly passes by \$5.00 (except no change to the Senior's pass). The financial impact of the proposed changes is an annual revenue increase of approximately \$320,000. This will increase the recovery level and bring our rates more in line with other Tier 1 municipal transit systems. In 2002 the actual recovery of revenues to total operating expenditures was 32.6%. Attached is a copy of the suggested changes and a comparison with other conventional transit rates in the province.

Custom Transit rates were last changed on January 1, 1998. A recommendation is made to increase the single zone fare from \$1.50 to \$1.75 and then instead of an additional \$0.25 for each further zone (maximum of \$2.00) it will be \$2.25 for a multi zone ticket. There is also a monthly pass that is geared to regular travelers originally to address a convenience issue more than one of savings. Lately, there has been a significant increase in the number of trips per month that pass holders are taking. There are only two other Custom/Paratransit systems that provide for a monthly pass and both are considerably higher than our current \$47.00/month rate. The recommendation is to increase this pass to \$55.00 per month. This recommendation was approved by the Regional Transportation Committee at the May 8<sup>th</sup> meeting and notification to the system users has been provided by the operating company. All of the sales outlets have been advised of the rate change and taxi saver purchasers also advised.

The financial impact of the proposed change to Custom Transit rates is an annual revenue increase of \$23,100, based on 2002 total revenues of \$137,660. This will increase the recovery from 10.0% to 11.7%. Attached is a copy of the suggested changes and a comparison with other custom transit rates in the province.

The transit service efficiency measures, request for additional provincial funding and the fare increases have been approved by the Kelowna Regional Transportation Committee. An amendment to the Annual Operating Agreement will be required to reflect these changes and BC Transit will be preparing the amendment for later this year.

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Keith Grayston on behalf of the Regional Transportation Committee

Encl.

cc: Director of Financial Services  
Transportation Manager  
BC Transit Planner

Kelowna Regional Transit System  
Fare Increase - September 1, 2003

	<i>Proposed Fares</i>		<i>Current Fares</i>	
	<b>One Zone</b>	<b>Multi Zone</b>	<b>One Zone</b>	<b>Multi Zone</b>
<b><i>Cash Fares</i></b>				
Adult / College Students	\$1.75	\$2.00	\$1.50	\$1.75
Seniors & Students (to gr 12)	\$1.50	\$1.75	\$1.25	\$1.50
Child (under 5)	Free	Free	Free	Free
<b><i>Tickets - Sheet of 10</i></b>				
Adult / College Students	\$16.00	\$18.50	\$14.50	\$17.00
Seniors & Students (to gr 12)	\$13.50	\$16.00	\$12.00	\$14.50
	<b>All Zones</b>		<b>All Zones</b>	
<b><i>Day Pass</i></b>				
Adult	\$5.00		\$4.25	
Seniors & Students	\$4.50		\$4.00	
	<b>All Zones</b>		<b>All Zones</b>	
<b><i>Monthly Pass</i></b>				
Adult	\$47.00		\$42.00	
Senior	\$33.00		\$33.00	
College*	\$38.00		\$33.00	
Student	\$30.00		\$25.00	
Semester Pass*	\$122.00		\$106.00	
Family Max. for Student Passes	\$75.00		\$60.00	

\*Fully registered College Students



Kelowna handyDART System  
Fare Increase - July 1, 2003

	<i>Proposed Fares</i>		<i>Current Fares</i>		
	<b>One Zone</b>	<b>Multi Zone</b>	<b>One Zone</b>	<b>Two Zone</b>	<b>Three + Zone</b>
<b><i>Cash Fares</i></b>	\$1.75	\$2.25	\$1.50	\$1.75	\$2.00
<b><i>Monthly Pass</i></b>	\$55.00		\$47.00		

# CURRENT FARE STRUCTURES

## MUNICIPAL SYSTEMS PROGRAM: Custom Transit and Paratransit Systems

Updated: January, 2003

### Custom Systems

		Cash Fares				Monthly Passes	Tickets
		1	2	3	4		
Alberni-Clayoquot	alb	\$1.25	\$2.00	\$2.75	\$4.00		no discount
Campbell River	cam	\$1.75	\$2.25				no discount
Central Fraser Valley	cfv	\$1.50	\$1.75	\$2.00			no discount
Chilliwack	chw	\$1.50	\$2.25				5 for \$7.50/\$11.00
Cranbrook	cra	\$1.50	\$2.00				
Kamloops	kam	\$1.50					20 for \$30
Kelowna Regional	kel	\$1.50	\$2.00	\$2.50	\$3.00	\$47.00	
Kitimat	kit	\$2.00	\$3.00				
Kootenay-Boundary	kob	\$1.75	\$2.00				
Nanaimo Regional	nan	\$2.50				\$75.00	5 for \$11.25
Penticton	pen	\$1.50					
Prince George	prg	\$1.75	\$2.00				no discount
Prince Rupert	prp	\$1.50	\$2.00				
Vernon Regional	ver	\$1.75					
Average:		\$1.66					
Range - Minimum:		\$1.25					
Range - Maximum:		\$2.50					