

REPORT TO COUNCIL



Date: August 15, 2012
File: 1405-04
To: City Manager
From: Ron Westlake, Director, Regional Services
Subject: Transit 3 Year Service Plan

Recommendation:

THAT Council endorse the 3-Year Service Plan for public transit service expansions from 2013 to 2015 as prepared by BC Transit in consultation with City staff.

AND THAT Council direct staff to prepare budget submissions based on the 3-Year Service Plan for Council's consideration in the 2013 and future Budgets.

Purpose:

To review and receive Council endorsement of a strategy for public transit expansions from 2013 to 2015, to inform Council of one-time supplemental funding provided from Federal Gas Taxes and to receive Council's direction to make the necessary budget submissions in the up-coming 2013 Budget preparation for Council's consideration along with other budget requests.

Background:

Strategic Planning

The City has been working progressively for many years to develop the local public transit service as a strong and viable alternative mode of transportation. A number of initiatives since 2003 have led to the implementation of a higher order of public transit service in Kelowna. These initiatives have included:

- Central Okanagan Smart Transit Plan (2004-2005)
- Capital Funding Study (2006)
- UBC U-Pass & Enhanced Hwy 97 Transit Service (2007)
- Rapid Bus Phase 1 Implementation (2008-2010)
- Kelowna 2030 OCP (2010-2011)

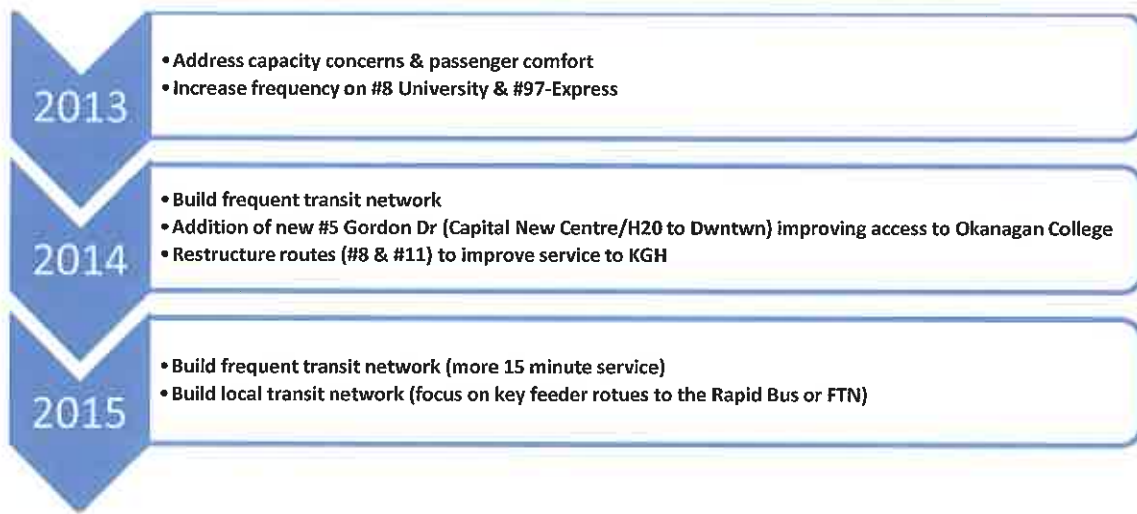
As the community grows, it is important for the City to proactively plan public transit expansions to best serve future mobility needs. The Transit Future Plan suggests an average annual increase for Kelowna of 11,000 service hours required to meet the provincial and local government demand targets. These targets are for a doubling of ridership by 2020 (from 4.3M to 8M rides/yr) and almost fourfold transit ridership (16M rides/yr) by 2035.

The 3 Year Service Plan, attached, provides the initial strategy in the deployment of new transit services. It continues to support land development in and around the City's urban centres and along key arterial road corridors.

In addition to supporting a compact urban form, the 2013-2015 Service Plan targets other key markets. The key target markets (or destination) addressed for new public transit riders over the next three years include:

- UBC Okanagan
- Okanagan College
- Kelowna General Hospital

Highlights of Proposed Service Expansions



Senior Government Funding

The Central Okanagan has been allocated federal Regionally Significant Gas Tax funding through the Union of BC Municipalities. The Regional District, in consultation with the local governments of the Central Okanagan has designated approximately \$4.4 million of these funds for the purchase of new or replacement buses for the Kelowna Regional Transit system. Allowing for the provincial share of the new bus purchases, this could purchase over thirteen new conventional buses and in turn significantly reduce the incremental costs of the expansions outlined in the Service Plan. There are between eight and ten new buses proposed in this Service Plan. These funds must be used by March 2015.

The provincial government is an ongoing partner with local governments through BC Transit. Approximately 46% of the operating costs of local transit service are funded provincially. Subject

to City Council’s approval of first the Service Plan and then the annual budget, BC Transit will seek approval of the provincial funding share of the transit expansions and build this into their 3-year budgets.

Transit Infrastructure

The attached Three Year Service Plan 2013-2015 does not address the requirement for new transit infrastructure. The main route expansion that will require new infrastructure is Gordon Dr from the Mission Recreation Complex to Downtown Kelowna which is planned for implementation in 2014. Staff will assess the route to determine the infrastructure requirements prior to Council’s 2014 budget deliberations. It is not known at this time whether provincial funding will be made available for these improvements.

Annual Service Performance Reviews

As the city or an individual community grows and changes, it is necessary to review and adjust transit services to ensure that the service type and quality effectively meets market demand and customer needs. To facilitate this process, an annual system level review will be conducted to assess the performance of all transit routes. The minimum performance targets originally outlined in the Transit Future Plan and shown again in the Service Plan were used to guide the short-term planning.

Routes which are experiencing issues due to over subscription, low ridership or unreliability are identified for remedial action which may include route revisions, scheduling changes, additional marketing or if necessary, termination of service. As reported to City Council at their regular meeting on July 23rd, 2012, two routes are under performing. Those routes are #14 Black Mountain and the #15 Crawford and actions are being considered to improve their performance.

Internal Circulation:

Director, Financial Services

External Agency/Public Comments:

The report has been reviewed and endorsed by BC Transit.

Financial/Budgetary Considerations

The net annual budget impact for the City with the expansions shown in the Service Plan is as follows:

2013	2014	2015	2016
\$155,000	\$264,500	\$415,300	\$243,600

There will also be ongoing base funding increases required each year. The numbers in the above table are lower than the numbers in the Service Plan because they incorporate the purchase of buses through the Regionally Significant Gas Tax program and Budget years don’t align with full year implementation of new service.

Considerations not applicable to this report:

- Legal/Statutory Authority
- Legal/Statutory Procedural Requirements
- Existing Policy
- Personnel Implications
- Community & Media Relations Comments
- Alternate Recommendation

Submitted by:



R. Westlake, P. Eng.
Director, Regional Services

Approved for inclusion:



J. Paterson, GM Community Services

cc: Director, Financial Services
Regional Programs Manager

Three Year Service Plan

2013 - 2015

City of Kelowna



August, 2012

City of Kelowna



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Executive Summary

The City of Kelowna approved the Central Okanagan Transit Future Plan in August 2011 as the guiding document for expansion of public transit over the next 25 years. This three year service plan is designed to achieve the goals and objectives of the long range plan by outlining detailed transit expansion packages for implementation. A summary of the annual requirements is provided below. Years shown correspond to municipal budget years.

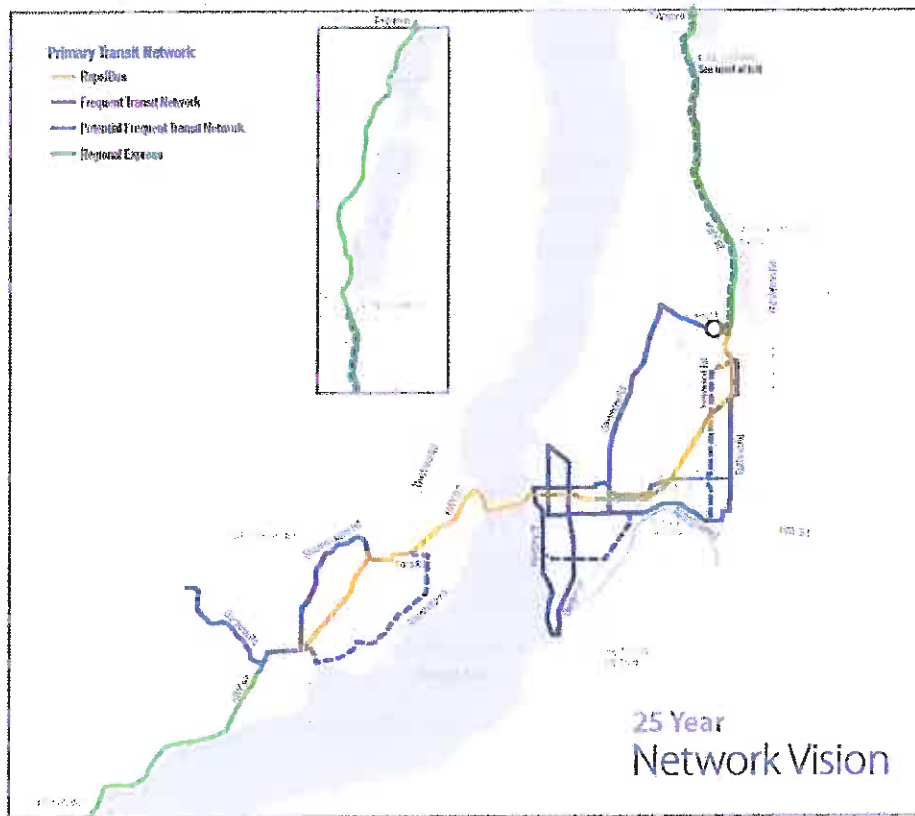
	Service Hours	Vehicles	Ridership	Total Cost	Net Municipal Cost**
2013	8,400	1	116,300	\$ 748,300	\$ 176,700
2014	12,350	4	144,250	\$ 1,446,700	\$ 606,500
2015	11,000	4	152,500	\$ 1,323,700	\$ 531,700
Total	31,750	9	413,050	\$ 3,518,700	\$ 1,314,900

*** The costs shown above identify The City of Kelowna's portion, are based on 2012/13 AOA averages, do not reflect an increase in base costs and do not reflect any potential changes in the proportional division of costs between other partners in the Kelowna Transit System.*

1.0 Introduction

The Central Okanagan Transit Future Plan¹, completed in 2011, outlines a 25-year vision for Transit in Kelowna and the rest of the Central Okanagan. It establishes a goal of achieving 7 per cent mode share by 2035, which translates to 11 million more annual rides over existing levels (4.7M in 2012). In order to achieve this target, it is estimated that the City of Kelowna will need to expand service by 11,000 service hours annually. This short term service plan is designed to support the Transit Future Plan by outlining the immediate priorities in strategic implementation packages. It includes additional details such as service hours, fleet requirements, estimated cost and estimated revenue. This plan informs the budgeting process for both BC Transit and the City of Kelowna.

The intention of this 3-Year Service Plan (2013-2015) is to continue to build transit ridership in the City of Kelowna in support of the mode share targets outlined in the Transit Future Plan. The proposed projects are in coordination with the City of Kelowna's smart growth and community goals. In addition to service expansion projects, this plan also addresses opportunities to improve service reliability of the existing service.



¹ Available online at: http://bctransit.com/transitfuture/okanagan_future.cfm

All costs contained herein are estimates based on 2012/13 Kelowna Regional Annual Operating Agreement averages; including average fare, cost per hour, and vehicle lease fees². Ridership estimates are primarily based on minimum performance standards. Service hours are estimated at the planning level, meaning that detailed scheduling has not been conducted to determine other factors such as deadhead and interlining implications. The vehicles required are exclusive of additional fleet that may be necessary to ensure that the spare ratio is sufficient. These costs do not reflect any potential changes in the proportional division of costs between other partners in the Kelowna Regional Transit System.

2.0 Community Development

Existing and proposed community development in the City of Kelowna played a key role in the development of this 3-Year Service Plan. Transit plays a vital role in the strategy to manage transportation challenges in the City, therefore it is imperative that the 3-Year Plan align with the City's short and long-term community development projects to build ridership and encourage alternative transportation. Some of the key community development projects in the City of Kelowna and how they influence the transit network are listed below:

Kelowna General Hospital

With the new Centennial and Anderson Buildings completed in Spring 2012, the Kelowna General Hospital continues to place major demands on the City's transportation network. With additional expansion planned in the future, transit demand is expected to grow.

University of British Columbia Okanagan (UBCO)

With ongoing campus expansion and enrollment exceeding 7,500 students, UBCO is one of the primary drivers of transit ridership growth and usage in the Central Okanagan. Connectivity to key routes serving the campus from all areas is critical to continuing the upward trend in transit mode share and to manage the transportation demand associated with an increasing student population.

Mission Recreation Park (H2O Adventure and Fitness Centre, Capital News Centre, Okanagan College)

The park and in particular the two recreation facilities on site are major community destinations, attracting visitors from all areas of the Central Okanagan and beyond. Also within the region is the Okanagan College, which currently facilitates over 5,200 students and faculty. As the College continues to grow, the demand for improved access to the campus will continue to increase.

Central Okanagan

Future development to increase density is planned in the area between downtown Kelowna and the Lower Okanagan Mission. As a result, transit demand for service connecting with other major community destinations in the area is expected to increase.

² Any adjustment in proportional costs or revenue distribution will be discussed in a separate document.

3.0 Service Review Process

On an annual basis, a system level review will be conducted. Then, to better understand how the City is performing within the Regional System, routes that primarily serve the City of Kelowna will solely be reviewed. Problematic or underperforming routes will be investigated further to determine a course of action. Issues identified can be both positive and negative, ranging from pass-ups due to over subscription, low ridership or unreliability. GFI farebox data will be the primary source of information and may be supplemented by Automatic Passenger Counters (APC's) or on-board passenger counts. Efforts to ensure the GFI farebox and the APC's are accurately capturing ridership data will be made.

Provided below is a general timeline to guide the annual system review process to ensure the end product is ready for presentation to Kelowna Council in June of each year. This aligns with the start of the city's budgeting cycle and will help ensure local priorities are secured to feed the Provincial allocation of service hours and fleet acquisition. Expansions identified in the annual review process will feed into the 3-year service plan BC Transit submits to the province annually.

Data capture	September – November
Initial analysis and summary of findings	December – January
Additional data collection and analysis (if necessary)	February – April
Report drafted. Recommendations presented to Kelowna Council to finalize any fall service changes.	April
Report to Kelowna Council for 3-year service plan next year	June
Service implementation	As planned

System level performance criteria

The primary purpose of the service review is to ensure the transit system continues to meet the goals, targets and performance criteria established in the Transit Future Plan. The Transit Future Plan established a **system total cost recovery target of 35%**. However, the City also recognizes the need to strike a balance between increasing ridership and accessibility, which are often contradicting goals. While lower performance standards are accepted on some coverage routes, it should be noted that the current priority for transit in the City is to build ridership and encourage long-term ridership growth.

The Central Okanagan Transit Future Plan established the following system performance criteria to guide the development of the plan and to guide the annual review of transit at the system level.

	Target Threshold	Minimum Threshold
Boardings per service hour	35	12
Boardings per service km	1.5	0.5
Cost per boarding	\$2.50	\$7.00
Cost recovery	35%	15%
Passengers per capita	30	10

However, when delving into route level analysis, this criterion is refined into three categories: Rapid Transit, Frequent Transit and Local Transit, as described below. Targeted Transit will be reviewed on a case by case basis.

	Rapid	Frequent	Local
Land use	High density mixed land use at key nodes	High to medium density along corridors	Medium to low density
Vehicle Type	High capacity bus, street car/ tram, light rail	Standard or high capacity bus or street car/tram	Standard or small bus
Service Frequency	15 minutes or better between 7:00 a.m. – 10:00 p.m., 7 days a week	15 minutes or better between 7:00 a.m. – 10:00 p.m., 7 days a week	Frequency based on demand
Service Span	5:00 a.m. – 1:00 a.m., 7 days per week, extended based on demand	5:00 a.m. – 1:00 a.m., 7 days per week, extended based on demand	6:00 a.m. – midnight, 5 days per week, extended based on demand *
Stop interval	Limited stops at key locations. Stops are typically spaced 800m to 2km apart	Frequent stops along a corridor, 500m apart or less	250m – 500m
Facilities and Amenities	Rapid Transit stations <ul style="list-style-type: none"> • level door boarding • off-board fare payment • real time information • bike storage • quality customer information • may include Park & Ride • investment in pedestrian infrastructure along corridor and near stations 	Local Stops <ul style="list-style-type: none"> • quality customer amenities at stops Select major stops with enhanced amenities <ul style="list-style-type: none"> • level door boarding • off-board fare payment • real time customer information • bike storage 	Local Stops <ul style="list-style-type: none"> • quality customer amenities at stops • enhanced amenities around major stops
Signal Priority	Transit is given signal priority over other traffic at intersections along the full corridor	Transit is given signal priority over other traffic at key intersections along the corridor	Transit is given signal priority at key delay points only
Lane Priority	Transit vehicles are separated from other traffic in an exclusive (Exclusive Corridor) or semi-exclusive (Priority Corridor) right-of-way to avoid congestion	Bypass lanes at key areas of congestion, High Occupancy Vehicle lanes, peak hours bus lanes	No lanes

* Extended service based on demand includes weekends

Rapid and Frequent Transit Network

Expectations of the future Rapid Transit Network (RTN) and Frequent Transit Network (FTN) differ from that of the other service types in Kelowna. These services are designed to support the most dense and diverse areas of the community, and transport the majority of riders. These routes are easy to understand by having simple structures and consistent time intervals between trips. Because none of the existing routes meet the definition of a RTN or FTN (15 minute service, 15 hours per day, 7 days per week), for purposes of this short term plan, routes that have 15 minute service in the peak periods qualify under this category and are subject to the following criteria³.

	Target Threshold	Minimum Threshold
Boardings per service hour	35	25
Boardings per service km	1.5	1.0
Cost recovery	35%	25%

Local Transit Network

The Local Transit Network (LTN) is designed to provide connections to the RTN and FTN, and to provide service to residential areas of the community. These routes serve less dense and less mixed-use areas of the community, and often have lower levels of service than the FTN. They may be slightly less direct in exchange for providing service coverage to a neighborhood. Because of these factors, they are not expected to perform to the same standards.

	Target Threshold	Minimum Threshold
Boardings per service hour	25	12
Boardings per service km	1.0	0.5
Cost recovery	25%	15%

Under-performing routes

When a route does not meet, or barely meets the minimum performance standards as described above, the following actions will be taken:

1. Review the route by stop, time of day, and day of week to determine the specific strengths and weaknesses. Also consider land use changes that may have affected the route (e.g., no longer serves key destinations).
2. Review schedule for consistency, reliability, popular work times, connections in the system, etc.
3. Consider consulting the public, with a particular focus on the specific markets served (e.g. Targeted Marketing campaign).
4. Determine course of action:
 - a. Do nothing
 - b. Service adjustment to routing or schedules

³ FTN routes include: Route 1, 7, 8, 10, 11, 97.

- c. Service expansion (if not meeting minimum level of service or specific needs of the market)
 - d. Service reduction or elimination
5. If change is recommended, consider consulting those that will be affected by the change
 6. Implement change supplemented by public education

Two routes that are currently underperforming are the 14 Black Mountain and 15 Crawford. Ridership analysis has shown that the key performance indicators are below the minimum threshold; therefore strategies to improve the ridership are being pursued. This includes a more thorough review of the service and a targeted marketing campaign to promote the service to potential customers who regularly access the areas.

While these routes are currently underperforming, it should be noted that their potential for long-term ridership growth is good. Black Mountain is an existing and growing commuter and student market, therefore the presence of transit service in the early stages of this community will contribute to long-term ridership growth. Additionally, the 15 Crawford has also recently undergone changes to improve access to nearby recreational facilities, which should encourage more ridership. The 15 Crawford will also serve as a strategic feeder service once the future service on Gordon is implemented.

4.0 Existing Constraints

Transit expansion opportunities over the next few years are constrained by two factors: capacity at the bus garage and early commitment for vehicle acquisition. The garage was originally designed to hold 70 heavy duty vehicles, and was expanded in 2007 to accommodate a fleet of 96 (size of the Kelowna Regional fleet as of July 2012). A consulting firm was tasked with determining the options to maximize the life of the facility without compromising operations and maintenance functions. The preferred option revises the layout of the yard to allow for stacked parking⁴ of conventional buses, increasing fleet capacity by 32%, up to a maximum of 129 vehicles (101 heavy duty, 28 light duty).

The second challenge to quickly expanding transit is the lead time it takes to order and purchase new vehicles. BC Transit requires municipal commitment prior to ordering new vehicles, which typically results in a 1.5 – 2 year lead time from approval to service implementation. Approval for expansion will be sought in the Fall of 2012 when BC Transit presents the 3-year base budgets that will now include an initiatives line for all expansion activities. BC Transit procures expansion vehicles once expansion initiatives have been incorporated into municipal 5-year budgets.

⁴ Stack parking is a method of parking buses bumper-to-bumper to optimize facility parking space. It requires a more detailed fleet assignment process to ensure the scheduled bus leave-times align with the bus parking order.

5.0 Implementation Plan

The overarching direction of the Transit Future Plan is to establish and focus expansion on the primary transit network (which includes the FTN and RapidBus). This service proposal guides short term development to achieve this vision, while continuing to ensure operational excellence and reliability. It has also been designed to move towards the ridership and service levels of the 25-year network vision, which requires an estimated annual expansion of 11,000 hours. Service expansions are packaged by year from 2013 to 2015.

Upcoming changes (Sept 2012)

The upcoming service changes for September 2012 are focused on meeting service requests from UBCO students, addressing reliability issues on Route 1 – Lakeshore and extending the 97 – Express across to Westbank First Nations and District of West Kelowna. The improvements include late night service on Fridays and Saturdays on Route 97 – Express, a new community route service Quail Ridge and additional running time on Route 1 –Lakeshore to improve on time performance.

2013

Service proposals for 2013 are primarily focused on addressing capacity concerns and passenger comfort issues on some of the most popular routes in Kelowna. Also included is the reinstatement of service all year round on select routes to Glenmore and UBC Okanagan. Based on vehicle procurement timeframes, additional vehicles are not available 2013, therefore only proposals which do not require additional buses are included.

Increase frequency mid-day on Route 8 – University

Route 8 – University carries the most passengers per day in the entire Kelowna Regional Transit System. There is a need to extend 15 minute service beyond the traditional peak period into the mid-day to better accommodate passengers and increase the attractiveness of the service by approaching the FTN promise of 15 minute service all day, everyday.

Additional Annual Impact

Route 8 – University: Increase mid-day frequency			
Annual Service Hours	2,200	Total Cost	\$ 202,200
Vehicles Required	0	Municipal Cost	\$ 107,800
Vehicle Lease Fee	\$ -	Total Revenue	\$ 50,300
Ridership	44,000	Municipal Cost, Less Revenue	\$ 57,500

Increase frequency mid-day on Route 97 – Express

Effective September 2012, the Hwy 97 Express will extend across the lake to connect Westbank First Nation, West Kelowna and Kelowna via one continuous route. It is designed to connect the valley from Westbank town centre to UBC Okanagan, with connections further to the north (Vernon) and south (Peachland). When Route 97 – Express began operations exclusively between downtown Kelowna and UBC Okanagan, ridership increased by more than 20% system wide. A similar reaction is anticipated with the opening of the full line, and thus an increase in capacity will be required. Expanding 15 minute service into the mid-day period is proposed.

Additional Annual Impact

Route 97 – Express: Increase mid-day frequency			
Annual Service Hours	2,600	Total Cost	\$ 239,200
Vehicles Required	0	Municipal Cost	\$ 127,500
Vehicle Lease Fee	\$ -	Total Revenue	\$ 59,400
Ridership	52,000	Municipal Cost, Less Revenue*	\$ 37,400

**Route 97 – Express is cost shared between the City of Kelowna, the District of West Kelowna and Westbank First Nation. The “Municipal Cost, Less Revenue” identifies only The City of Kelowna’s portion of the local share, which is approximately 55%*

Increase summer service on routes 4, 6, and 7

In spring 2012 select services were cut for budgetary purposes. The result was no summer service on Route 6 – Glenmore/UBC Okanagan and Route 4 – Pandosy/UBC Okanagan Express, and a few trips specifically geared towards school bell times during select summer months. It is proposed to reinstate these services to provide consistency for the customer and to improve the readability of the schedule by minimizing exceptions. Summer 2012 ridership data for these routes will be analyzed prior to a final decision being made to reinstate these services.

Additional Annual Impact

Route 4 – Pandosy/UBCO Express: Reinstate July - Aug service			
Annual Service Hours	400	Total Cost	\$ 36,800
Vehicles Required		Municipal Cost	\$ 19,600
Vehicle Lease Fee	\$ -	Total Revenue	\$ 5,500
Ridership	4,800	Municipal Cost, Less Revenue	\$ 14,100

Additional Annual Impact

Route 6 – Glenmore to UBCO: Reinstate May - Aug service			
Annual Service Hours	500	Total Cost	\$ 45,900
Vehicles Required		Municipal Cost	\$ 24,500
Vehicle Lease Fee	\$ -	Total Revenue	\$ 6,900
Ridership	6,000	Municipal Cost, Less Revenue	\$ 17,600

Additional Annual Impact

Route 7 – Glenmore: Add 4 summer trips			
Annual Service Hours	200	Total Cost	\$ 18,400
Vehicles Required	0	Municipal Cost	\$ 9,800
Vehicle Lease Fee	\$ -	Total Revenue	\$ 2,300
Ridership	2,000	Municipal Cost, Less Revenue	\$ 7,500

Custom transit increase in availability⁵

There is limited to no availability for spontaneous travel in the peak commuting times and on Saturdays within the Kelowna handyDART system. Customers must phone before 5 p.m. on Wednesday to schedule their Saturday trip, and even then it is not a guarantee. Approximately 70 – 85 per cent of trips are subscription trips, or trips that reoccur on a regular basis. This leaves very little availability for spontaneous travel for groceries, medical appointments or social events. Increasing the fleet and adding service hours will help alleviate this problem by reducing the number of unmet trips and helping those dependent upon handyDART to lead full lives.

Additional Annual Impact

Custom transit expansion			
Annual Service Hours	2,500	Total Cost	\$ 205,800
Vehicles Required	1	Municipal Cost	\$ 68,600
Vehicle Lease Fee	\$ 43,000	Total Revenue	\$ 10,800
Ridership	7,500	Municipal Cost, Less Revenue*	\$ 42,600

**Custom Transit is cost shared between the Central Okanagan Region. The "Municipal Cost, Less Revenue" identifies only The City of Kelowna's portion of the local share, which is approximately 73.7%*

Summary - 2013

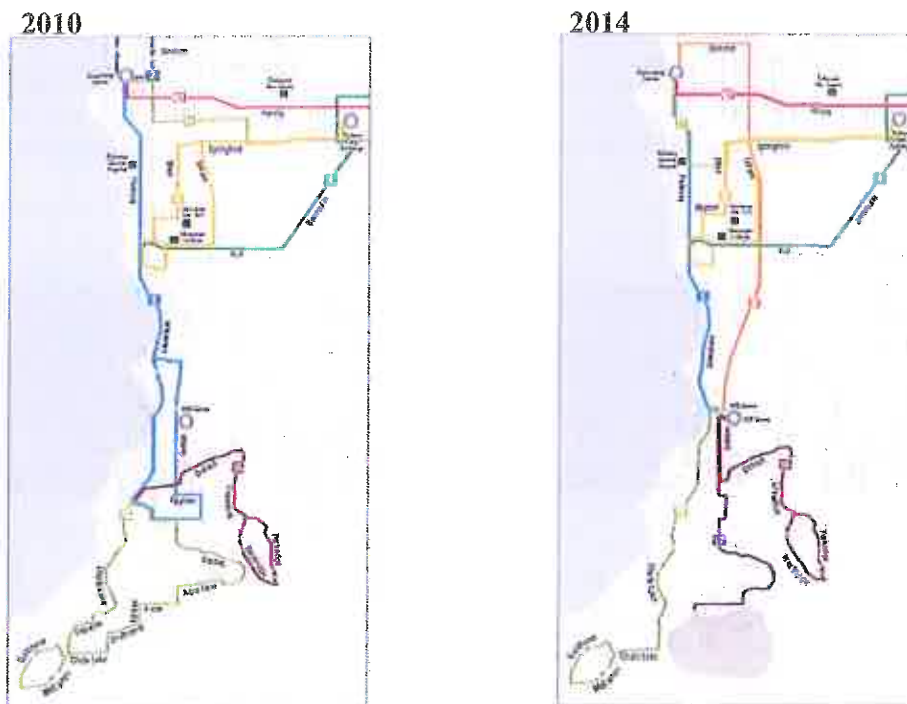
2013 SUMMARY			
Additional Annual Service Hours	8,400	Additional Total Cost	\$ 748,300
Additional Vehicles Required	1	Additional Municipal Cost	\$ 357,700
Additional Vehicle Lease Fee	\$ 43,000	Additional Total Revenue	\$ 135,200
Additional Ridership	116,300	Municipal Cost, Less Revenue	\$ 176,700

⁵ Increasing Custom transit is dependent upon vehicle availability.

2014

Introduce a new route along Gordon Drive

In accordance with the Transit Future Plan for the Central Okanagan, a new route along Gordon Drive between the H2O Centre and downtown Kelowna is proposed. It will provide a new, direct north-south route serving several popular destinations and opening opportunity to new target markets. It is also designed to provide direct connections to the Gordon Dr RapidBus station, Okanagan College, and the commercial and business developments along the corridor including downtown. The proposed frequency for this service is 20 minutes during the weekday peaks and every 40 minutes during all other times including weekends. The introduction of the new route will also provide an opportunity to re-align other services (routes 8, 10 & 11) to improve the service network in the area.



Introduction of this route is critical to implementing the UPass program at Okanagan College. When implemented a large increase in ridership is anticipated that the existing network cannot accommodate. Route 5 – Gordon will help alleviate capacity concerns on Routes 1 – Lakeshore and 8 – University.

The implementation of a new route on Gordon Drive will require an investment in transit infrastructure. This includes, but is not limited, the introduction of new bus stops. Discussions between BC Transit and the City of Kelowna are planned for early Fall 2012 on the level of infrastructure investments required to support implementation of this new service.

Additional Annual Impact

Route 5 – Gordon: New route			
Annual Service Hours	7,000	Total Cost	\$ 799,200
Vehicles Required	2	Municipal Cost	\$ 426,100
Vehicle Lease Fee	\$ 156,000	Total Revenue	\$ 120,000
Ridership	105,000	Municipal Cost, Less Revenue	\$ 306,100

Realign Routes 8, 11 and 2

With the introduction of the new route along Gordon Drive, Route 11 – Rutland requires slight adjustment in routing to provide a strong east – west connection directly to Kelowna General Hospital (KGH). Route 8 – University requires adjustment to reduce duplication along Gordon Dr, and to provide two-way service along Ethel.

Additional Annual Impact

Route 11 – Rutland: Realign			
Annual Service Hours	850	Total Cost	\$ 78,100
Vehicles Required	0	Municipal Cost	\$ 41,600
Vehicle Lease Fee	\$ -	Total Revenue	\$ 4,900
Ridership	4,250	Municipal Cost, Less Revenue	\$ 36,800

Additional Annual Impact

Route 8 – University: Realign			
Annual Service Hours	500	Total Cost	\$ 45,900
Vehicles Required	0	Municipal Cost	\$ 24,500
Vehicle Lease Fee	\$ -	Total Revenue	\$ 2,900
Ridership	2,500	Municipal Cost, Less Revenue	\$ 21,600

One result of realigning Route 11 – Rutland and Route 8 – University is loss of service coverage area. Included in this proposal are service hours to allow for one of two options to mitigate this loss:

1. Realign Route 2 – North End Shuttle to serve the RapidBus stations and the portion of Sutherland Dr which used to be served by Route 11 – Rutland
2. Create a new mid-town connector route that provides coverage to Sutherland Dr and other corridors that used to be served by Route 11 – Rutland, or that show sufficient demand as to warrant service

Based on the existing transit network demand and community development, option 2 is recommended.

Additional Annual Impact

Mid-town connector			
Annual Service Hours	2,500	Total Cost	\$ 307,700
Vehicles Required	1	Municipal Cost	\$ 164,000
Vehicle Lease Fee	\$ 78,000	Total Revenue	\$ 28,600
Ridership	25,000	Municipal Cost, Less Revenue	\$ 135,500

Establish annual service hour reserve

During the annual service review process, issues and opportunities will be identified that will require immediate attention. Included here is an allotment of hours to address these items as they arise. One vehicle has also been allocated in the likely event that peak capacity needs to be addressed on an existing service.

Additional Annual Impact

Service hour reserve			
Annual Service Hours	1,500	Total Cost	\$ 215,800
Vehicles Required	1	Municipal Cost	\$ 115,100
Vehicle Lease Fee	\$ 78,000	Total Revenue	\$ 8,600
Ridership	7,500	Municipal, Less Revenue	\$ 106,500

Summary -2014

2014 SUMMARY			
Additional Annual Service Hours	12,350	Additional Total Cost	\$ 1,446,700
Additional Vehicles Required	4	Additional Municipal Cost	\$ 771,300
Additional Vehicle Lease Fee	\$ 312,000	Additional Total Revenue	\$ 165,000
Additional Ridership	144,250	Municipal Cost, less Revenue	\$ 606,500

2015

Building the Frequent Transit Network

Building the Frequent Transit Network is the recommended focus for the majority of expansion service hours. As outlined in the Transit Future Plan, the FTN promises service every 15 minutes, 15 hours a day, 7 days per week. On the majority of the FTN corridors, additional service will be required mid-day on weekdays, and all day on Saturdays and Sundays. Ridership will dictate which routes and which time of day should be prioritized for increased frequency. Provided below are hours to fill in mid-day and some weekend service gaps on the City's major transit routes. Also included are service hours and vehicles to increase the peak capacity on Route 8, the highest performing route, to service every 10 minutes.

Potential FTN routes for service expansion include:

- Route 4 Pandosy/UBCO Express: Introduce mid-day service on weekdays
- Routes 8, 10 & 97: Mid-day 15 minute service on weekdays
- Route 8 – University: Improve peak service to every 10 minutes on weekdays

Additional Annual Impact

FTN - Improvements			
Annual Service Hours	8,500	Total Cost	\$ 1,016,000
Vehicles Required	3	Municipal Cost	\$ 541,600
Vehicle Lease Fee	\$ 234,000	Total Revenue	\$ 145,400
Ridership	127,500	Municipal Cost, Less Revenue	\$ 396,200

Building the Local Transit Network

While the focus should be on the FTN, attention to those routes that feed the FTN and RapidBus, or the Local Transit Network, will be required as well. The expansion of the LTN helps to ensure the system continues to build ridership, helping to meet the GHG reduction targets.

Additional Annual Impact

LTN - New or improved service			
Annual Service Hours	2,500	Total Cost	\$ 307,700
Vehicles Required	1	Municipal Cost	\$ 164,000
Vehicle Lease Fee	\$ 78,000	Total Revenue	\$ 28,500
Ridership	25,000	Municipal Cost, Less Revenue	\$ 135,500

Summary - 2015

2015 SUMMARY			
Additional Annual Service Hours	11,000	Additional Total Cost	\$ 1,323,700
Additional Vehicles Required	4	Additional Municipal Cost	\$ 705,700
Additional Vehicle Lease Fee	\$ 312,000	Additional Total Revenue	\$ 173,900
Additional Ridership	152,500	Municipal Cost, less Revenue	\$ 531,700

6.0 Implementation Plan Summary

The following summarizes the cost requirements for the service initiatives presented in section 4.0 based on the packages and years outlined. As stated previously, costs presented are at the high level and would be refined as detailed scheduling and financial assessments would be completed as part of the implementation process.

Service Option Summary: Estimated Additional Annual Impacts (City of Kelowna)

Service Proposal	Buses	Service Hours	Rides	Total Revenue	Total Costs	Municipal Share of Costs**	BC Transit Share of Costs
2013							
1 Route 8 University: Increase mid-day frequency	0	2,200	44,000	\$50,300	\$202,200	\$57,500	\$94,400
2 Route 97 – Express: Increased mid-day frequency	0	2,600	52,000	\$59,400	\$239,200	\$37,400	\$111,700
3 Route 4 – Pandosy/UBCO Express: Reinstate July – Aug service	0	400	4,800	\$5,500	\$36,800	\$14,100	\$17,200
4 Route 6 – Glenmore to UBCO: Reinstate May – Aug service	0	500	6,000	\$6,900	\$45,900	\$17,600	\$21,400
5 Route 7 – Glenmore: Add 4 summer trips	0	200	2,000	\$2,300	\$18,400	\$7,500	\$8,600
6 Custom transit expansion	1	2,500	7,500	\$10,800	\$205,800	\$42,600	\$137,200
2013 Total	1	8,400	116,300	\$135,200	\$748,300	\$176,700	\$390,500
2014							
7 Route 5 – Gordon: New Route	2	7,000	105,000	\$120,000	\$799,200	\$306,100	\$373,100
8 Route 11 – Rutland: Realign	0	850	4,250	\$4,900	\$78,100	\$36,800	\$36,500
9 Route 8 – University: Realign	0	500	2,500	\$2,900	\$45,900	\$21,600	\$21,400
10 Mid-town connector	1	2,500	25,000	\$28,600	\$307,700	\$135,500	\$143,700
11 Service hour reserve	1	1,500	7,500	\$8,600	\$215,800	\$106,500	\$100,700
2014 Total	4	12,350	144,250	\$165,000	\$1,446,700	\$606,500	\$675,400
2015							
12 FTN Improvements	3	8,500	127,500	\$145,400	\$1,016,000	\$396,200	\$474,400
13 LTN New or improved service	1	2,500	25,000	\$28,500	\$307,700	\$135,500	\$143,700
2015 Total	4	11,000	152,500	\$173,900	\$1,323,700	\$531,700	\$618,100
2013-15 TOTAL	9	31,750	413,050	\$474,100	\$3,518,700	\$1,314,900	\$1,684,000

** The costs shown above identify The City of Kelowna's portion, are based on 2012/13 AOA averages, do not reflect an increase in base costs and do not reflect any potential changes in the proportional division of costs between other partners in the Kelowna Transit System.

7.0 Implementation Considerations

The service packages and costs presented here are for the purpose of guiding budget development and transit investment in the City of Kelowna. It is recognized that service needs and/or municipal capacity to fund transit improvements may change over time. Therefore, while this document is presented to guide service development over the longer term, packages will need to be confirmed on an annual basis for the subsequent year as part of the municipal budget approval. BC Transit is in the process of drafting the 3-year base budgets, which will now include an expansion line item, for presentation in late September or early October. Council's direction on the expansion items in this report will help inform what is included as an expansion line item in your draft 3-year budget.

Similarly, provincial funding for transit is confirmed on an annual basis. Therefore, the implementation years associated with each package are provisional and are dependent on BC Transit's approval budget, normally confirmed in mid-February each year. Implementation of specific service options and packages are also dependent on allocation of available provincial transit expansion funding between transit systems as determined through BC Transit's Transit Improvement Program (TIP).

Once municipal and provincial funding has been approved for service options, an Implementation Agreement Memorandum of Understanding (MOU) will be developed for signature by the City and BC Transit. This MOU outlines the exact service changes to be developed for implementation and the roles and timeline for implementation. Once signed, changes to scope of services in the implementation may change timelines. Detailed costing would be confirmed through implementation.