

DATE: May 30, 2019

TO: MAYOR AND COUNCIL

NAME AND TITLE: IAN WELLS, GENERAL MANAGER, PLANNING AND DEVELOPMENT

SUBJECT: Prince George Transit Systems – Expansion Initiatives MOU

ATTACHMENT(S): Exhibit A – Proposed Expansion Memorandum of Understanding - Transit Service Expansion Initiatives from 2020-2023
Prince George Transit System Service Improvement Options Presentation

RECOMMENDATION(S):

1. THAT Council APPROVE the Memorandum of Understanding in the form attached as Exhibit A for:
 - a. the Proposed Conventional System Expansion Initiatives for service hours and fleet as outlined in Exhibit A.
 - i. Approve Expansion Option Two inclusive of three fleet vehicles and introduction of the Frequent Transit Service network from the downtown to UNBC and CNC respectively.
 - b. the Proposed Custom System Expansion Initiatives as outlined in Exhibit A.
2. THAT Council AUTHORIZE the City Manager to sign the Memorandum of Understanding on behalf of the City of Prince George.

PURPOSE:

This report seeks Council's consideration to advance the implementation of four service improvements for the Conventional and Custom Prince George Transit Systems, identified as short-term community priorities in the *Transit Future Plan*, as well as through public feedback. The report and attached exhibit outline the proposed expansion initiatives and provide an estimated high-level annual costing for the City of Prince George's share, based on the hourly rates of the system. Subject to Council's approval, this approval will direct the work necessary to advance each initiative identified.

POLICY ANALYSIS:

Prince George's *Transit Future Plan* envisions our community's transit network from 2014 to 2038, and describes the service and infrastructure improvements that are needed to achieve that vision. This plan builds on the *Official Community Plan* policies and aligns with the *myPG Sustainability Plan*, *Age Friendly Action Plan*, *Neighbourhood Plans*, and *Active Transportation Plan*. The *Transit Future Plan* was developed through a participatory planning process involving a stakeholder advisory group and broad community consultation throughout 2012 and 2013, and included the mobile open house facility within the Transit Future Bus that received over 1,600 visitors. The implementation strategy in the plan

identifies a number of short, medium and long-term transit system recommendations to advance the community vision.

The proposed initiatives within the proposed expansion Memorandum of Understanding (MOU) have been identified in the *Transit Future Plan* as short-term implementation priorities and were reflected again in our ongoing public feedback as opportunities to advance transit in our community.

By increasing service levels during peak times, the Prince George Transit System will capture unrealized ridership and a new demographic of ridership with more frequent and increased span of service. Additionally, transit riders have cited the lower service levels during off-peak hours on evenings and weekends, with limited to no Transit connections to areas in the outer suburbs, such as College Heights (where many students reside). This lack of transit service acts as a barrier faced by users, including students, interested in exploring Prince George, participating in community-wide events, and accessing other services the city has to offer.

The custom system (HandyDART) will also come into better alignment with the other two transit systems by adopting an increased span of service which captures weekdays, evenings and weekends, thereby addressing existing gaps in service amongst the systems. This will aid in bringing equilibrium in Transit service hours and help capture unrealized trips, caused by limitations in operation hours.

STRATEGIC PRIORITIES:

This proposal supports Council's focus areas to:

- *Make Prince George accessible and enjoyable for everyone, regardless of their age or ability;*
- *Monitor and work to decrease greenhouse gas emissions from City operations and from the community as a whole;*
- *Enhance and integrate various transportation options, including transit, cycle routes, sidewalks and trails; and to,*
- *Prioritize infrastructure re-investment and renewal to ensure the delivery of critical recreation, emergency, transportation, and utility services.*

FINANCIAL CONSIDERATIONS

The Provincial Government continues to uphold their commitment to fund and support transit expansion initiatives throughout the province. Prince George's transit system was identified as a candidate for potential expansion and investment, over the next three year period.

The attached MOU is provided to formalize the process of securing expansion funding on behalf of the City of Prince George. This MOU seeks approval from Council that allows the City to proceed with the request for its share of the provincial funding for expansion initiatives. Pending Provincial approval of the request, the City is committed to budget accordingly through the Annual Operating Agreements (AOA) summarized below, with more budget information to be provided at that time.

The funding for the expansions will reflect the BC Transit Shared Service Model outlined in the Operating Agreements. The municipality funds 53.31% of the Conventional system and 33.31% of the Custom system costs, and retains all of the revenue as represented in graphs below.

CONVENTIONAL SYSTEM:

The Conventional System is a transit service using regularly scheduled, "fixed route" vehicles (operating to a published route and timetable). This service is operated by a local contractor (Prince George Transit Ltd.).

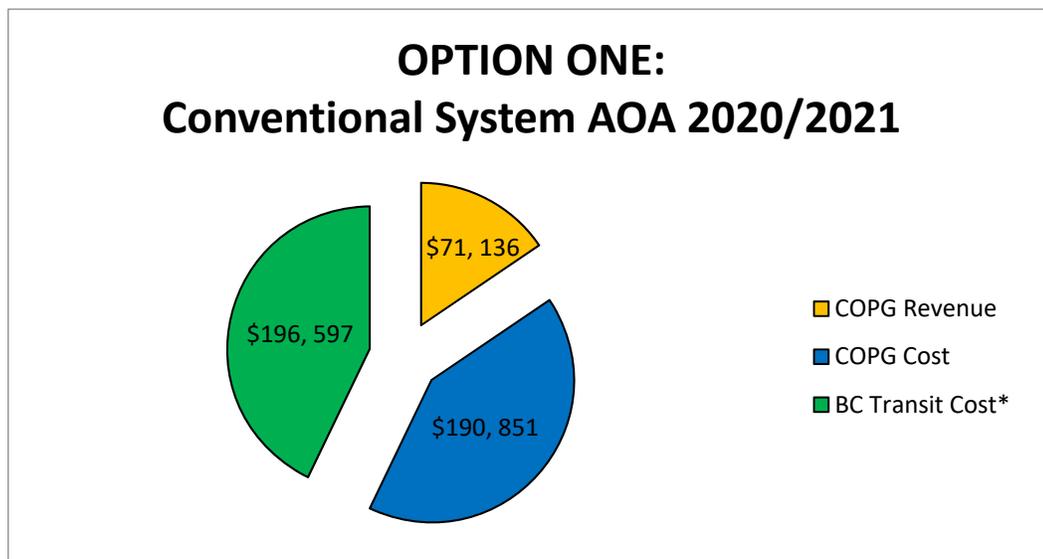
2020/2021 AOA PERIOD

Outlined below are two options proposed for the Conventional Transit service during the 2020/2021 AOA period.

OPTION ONE:

The MOU proposes an increase in annual service hours and the procurement of one fleet vehicle for the Conventional System at an estimated cost to the municipality of \$190,851. This would mean an additional 4000 annual service hours (a 4.6% increase) from the base service levels outlined in the current 2019/2020 AOA. The additional hours would be used to provide peak service hour expansions and off peak weekend and evening improvements in timing and routing, to be implemented in September of 2020. The expansion is estimated to increase revenue by \$71,136.

The graph below shows the estimated cost-sharing for this expansion under the BC Transit Shared Services Model, which also captures the cost of procuring a fleet vehicle.

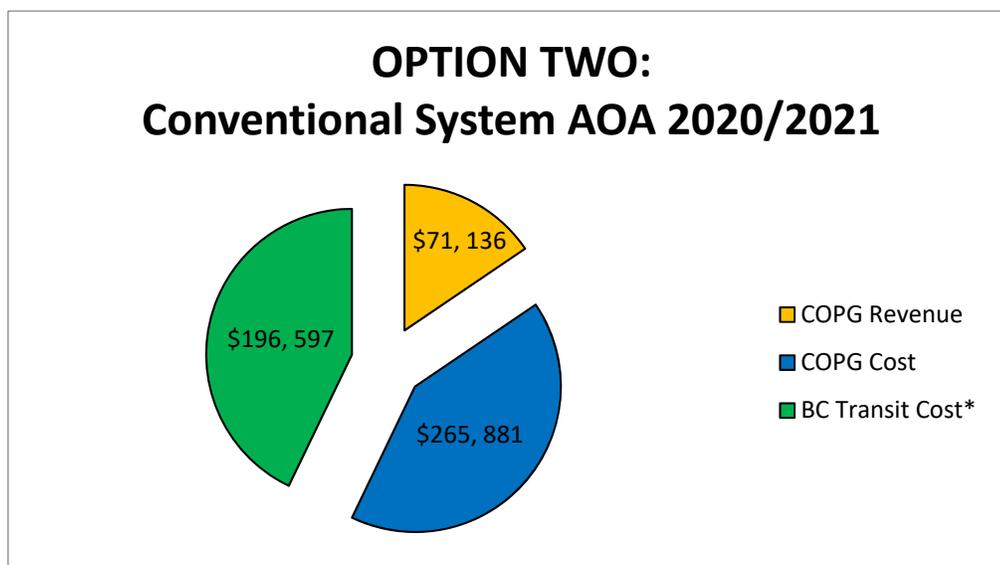


* BC Transit Cost data does not include BCT share of estimated Lease fees, as per the One Fleet Policy and a Provincial subsidy applied to that share. This cost shown in the above chart only captures estimated operational costs.

OPTION TWO:

The MOU proposes an increase in annual service hours and the procurement of three fleet vehicles for the Conventional System at an estimated cost to the municipality of \$265,881 with an implementation in September of 2020. This would mean an additional 4000 annual service hours (a 4.6% increase) from the base service levels, outlined in the current 2019/2020 AOA. The additional hours would be used to provide peak service hour expansions, including express Transit service to UNBC and CNC, and complemented by off peak, weekend and evening timing and routing improvements, as warranted. The expansion is estimated to increase revenue by \$71,136.

The graph below shows the estimated cost-sharing for this expansion under the BC Transit Shared Services Model, which also captures the cost of procuring three fleet vehicles.



* BC Transit Cost data does not include BCT share of estimated Lease fees, as per the One Fleet Policy and a Provincial subsidy applied to that share. This cost shown in the above chart only captures estimated operational costs.

ANALYSIS AND RECOMMENDATION

Both Option One and Option Two provide 4000 hours of service expansion, with an estimated increase in revenue of \$71,136 for the Municipality. Revenue stays consistent between the two options as the formula applied to calculate Revenue is dependent on Service hours which do not differ between the two options.

As Option Two proposes three fleet vehicles (compared to one fleet vehicle for Option One), this increases the cost burden to the City, but allows the Transit System greater flexibility and more certainty in areas such as schedule adherence. As at this time, limitations in fleet result in a visible impact on service levels and timeliness when a vehicle breaks down, as is more likely to happen in a winter City such as Prince George. The increase to three buses ensures there are adequate fleet resources to cover scheduled maintenance, potential breakdowns, meet spare ratio requirements for fleet, as well as incorporate specific routing requests, such as eventual improvements in weekend and evening service provision.

Option one will cost the municipality less at \$190,851; whereas option two will require an investment of \$75,030 more at approximately \$265,881. This extra monetary investment by the City is due to the additional fleet procurement, and the introduction of Frequent Transit Service (a first for the Prince George Transit System), which has a differing cost model than standard Transit service provision.

Option One balances peak and off peak enhancements equally and would have an impact on overall service levels throughout the system. Whereas, Option two focuses on peak express service in a north/south and east/west trajectory from the downtown to key institutional uses (UNBC and CNC), in our community. The express routes would also ensure touch points at 2-3 exchanges allowing all riders to connect more directly and quickly to various areas of the City. While still focusing on CNC and UNBC as major stop points, option two also captures the needs of our largest ridership cohort; post-secondary users.

However, with Option One, due to the equal split between peak and off-peak service, any institutional focused (CNC and UNBC) service expansion to the downtown would be fairly modest at best. This incremental increase would be unlikely to coax new riders out of their cars or increase the transit mode share in Prince George. Additionally, ridership data (provided by BCT) indicates late night and weekend

ridership levels are typically much lower. Therefore, with Option One's equal focus on off peak evening and weekend expansion, the total ridership per hour of investment would be much lower. This is also further reiterated by ridership trends across the Province which indicate that weekend and late night service improvements traditionally only serve existing riders, rather than draw new riders onto the system.

Whereas, Option Two would be a much more substantive investment, as it is proposed along corridors with very high ridership, and which are designated for higher-order transit in the *Transit Future Plan*, as showcased in the figure below in red (possible routing);



The introduction of frequent transit service along high use and high demand corridors would further generate new ridership as well as increase the transit mode share. As these are the corridors with the highest ridership, as indicated in the above figure in yellow, the total ridership per hour of investment would be higher. Option Two also provides an avenue for hours-only expansion in the future, as the new Frequent Transit routes would be introduced along key corridors of the City, thereby capturing the travel demands and behaviour of various riders.

It is also important to bear in mind that the City has already made marked strides in its goals for off-peak service improvements implemented September and December of 2017, where weekend, statutory holiday and evening service were first introduced, as well as the upcoming enhancements to off peak service on the Community System routes 91 and 46; which will be implemented this upcoming September 2019.

As such, to continue to achieve the remaining short term goals of the *Future Transit Plan*, the introduction of the frequent and subsequently rapid Transit network(s), would be an advisable course of action, as it markedly improves direct connectivity and integration of service between downtown and large

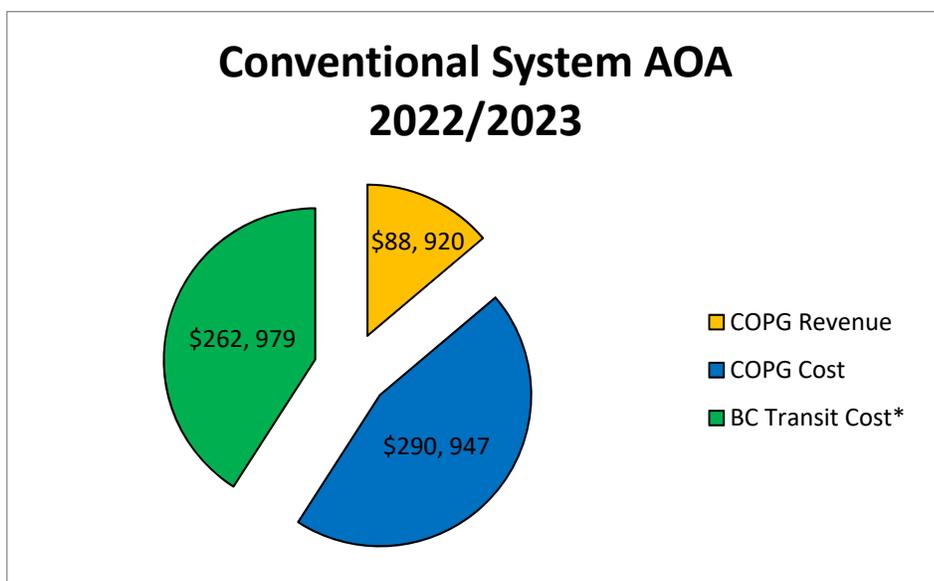
institutional uses such as UNBC and CNC. This would also help improve overlapping considerations such as the access to affordable, student oriented housing for students, faculty, and staff which are currently being developed in the downtown. Further this would also promote cross functional trip types such as social, medical and other; through improved Transit services, from the downtown to key locations throughout the City, which would benefit post-secondary students as well as the overall community.

Thus, Administration recommends Option Two, as it encompasses many of the short term priorities identified by the City’s community in the *Transit Future Plan* and also introduces a new service type, frequent transit to Prince George.

2022/2023 AOA PERIOD

The MOU proposes an increase in annual service hours for the Conventional System at an estimated cost to the municipality of \$290,947. This would mean an additional 5000 annual service hours (a 5.76% increase) from the base service levels outlined in the current 2021/2022 AOA. The additional hours would be used to further develop the Frequent Transit Network (FTN), which works toward providing at least every 15 minutes of service between 7:00 a.m. and 7:00 p.m., on weekdays. The frequency of the service would require the procurement of two additional fleet vehicles, and would be implemented in September of 2022. The expansion is estimated to increase revenue by \$88,920.

The graph below shows the estimated cost-sharing for this expansion under the BC Transit Shared Services Model, although the total cost here also includes procuring two additional vehicles.



* BC Transit Cost data does not include BCT share of estimated Lease fees, as per the One Fleet Policy and a Provincial subsidy applied to that share. This cost shown in the above chart only captures estimated operational costs.

CUSTOM SYSTEM

The custom system is a door to door, fully-accessible, shared transit service, for individuals unable to take fixed route transit. The Custom service is provided to registered users of HandyDart, and is operated by the Carefree Society.

2020/2021 AOA PERIOD

The MOU proposes an increase to the Custom bus system service span, on weekdays, with the addition of six extra hours of service per weekend day. This will be done through the exclusive use of supplemental services (taxis in lieu of fleet), which would lower the cost of operations and lessen the environmental

footprint of the City’s service vehicles. A BC Transit custom transit services report conducted province wide, further reiterates this and recommends aligning service availability both in the days and hours of operation per day, along with optimization of the distribution of custom services between dedicated and flexible service providers (taxis).

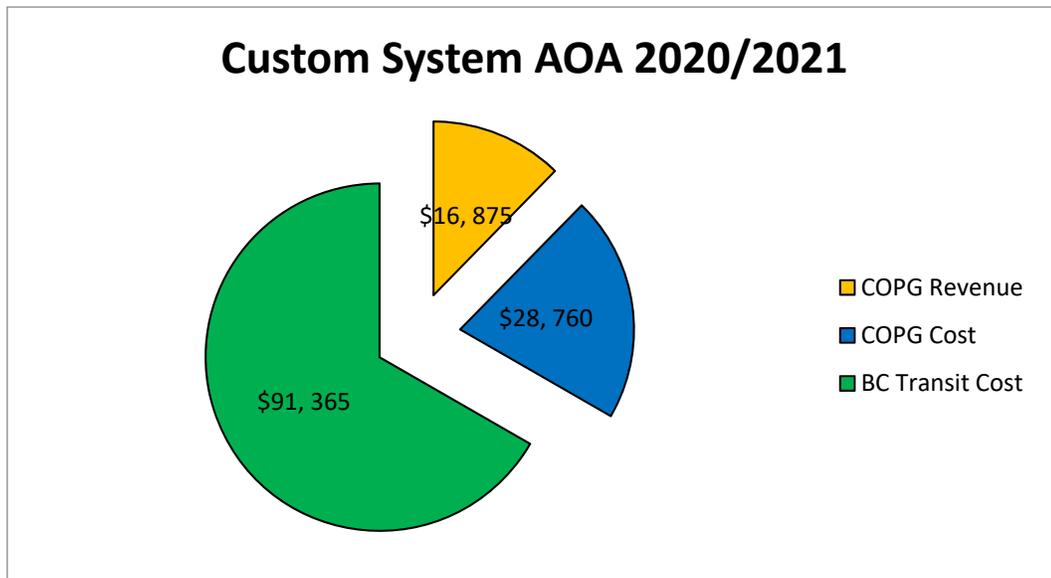
Service Offerings Comparison:

Service Offerings	Conventional Transit	Custom Transit	Variance to Conventional
Hours of Operation	Monday-Friday: 0700 to 2300 Saturday: 0700 to 2200 Sunday: 0800 to 1900	Monday-Friday: 0700 to 1800 Thursday: 1800 to 2230 Saturday: 0900 to 1800 Sunday: 0900 to 1800	Monday-Friday: 0600 to 0700 and 1800 to 2300 Saturday: 0700 to 0900 and 1800 to 2200 Sunday: 0800 to 0900 and 1800 to 1900
Fares	Cash Fare: \$2.50	Cash Fare: \$2.25	\$0.25 Lower Cash Fare
Service Boundaries	Yes	Municipal Boundary	To Routing

The above table outlines the current structure of service span hours, fares and boundaries amongst the HandyDART, and Taxi Supplement services, in comparison to Conventional Transit service. The variance column identifies an opportunity to enhance the transit services available in Prince George, by taking a holistic approach and promoting equity amongst the three Transit systems, by ensuring those requiring Custom services have equal access during the same periods as those who access the Conventional and Community Systems. The projected strategy is to proactively close this gap amongst the three systems by diminishing the variance in service days followed by the span of hours, fares and boundaries to ensure equitable service. By providing multiple flexible Transit options such as the proposed inclusion of expansion via Taxi supplements, the system becomes leaner in operations, minimizes the environmental footprint, and subsequently becomes more sustainable and efficient.

This proposal would cost an estimated \$28,760 to the municipality, and is expected to bring the custom system into better alignment with the service hours of the conventional bus system to increase service span. The expansion is estimated to increase revenue by \$16,875, and would be implemented in April 2020.

The graph below shows the estimated cost-sharing for this expansion under the BC Transit Shared Services Model.

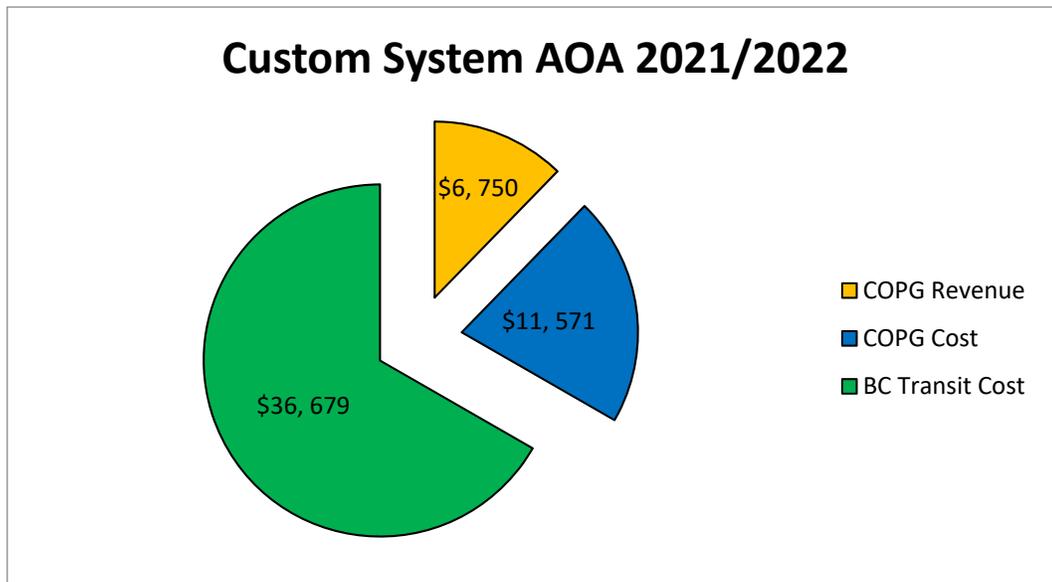


2021/2022 AOA PERIOD

The MOU proposes an increase in annual service hours, for the custom bus service, on weekends, exclusively through the use of supplemental services (Taxis in lieu of BC Transit fleet vehicle) to bring the custom system into better alignment with the conventional system hours of operation. This proposal would provide an increase to service span, costs an estimated \$11,571 to the municipality, and is projected to lower operating costs, increase efficiency and bring Prince George into better alignment with the strategic policy direction of the Province, around equity in Transit service provision between the three systems.

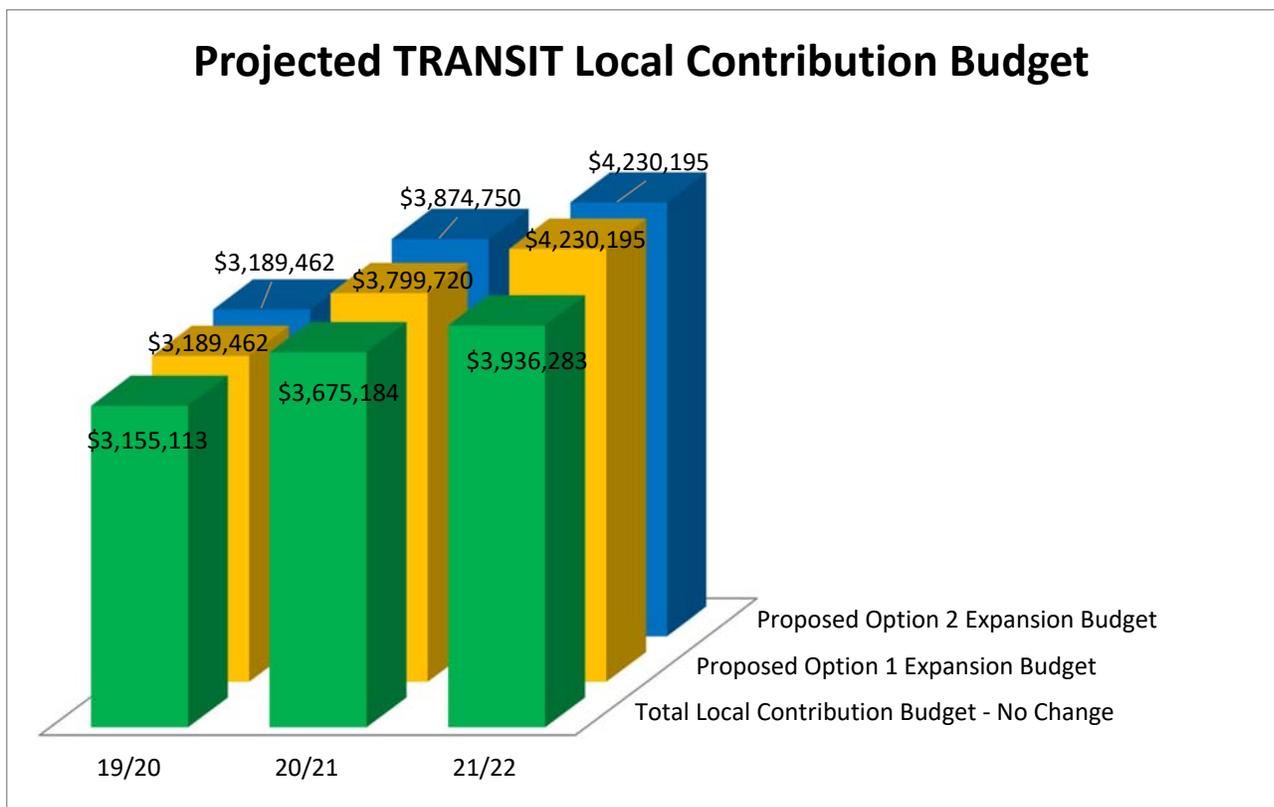
This would mean an increase in service span by six hours/per weekend day, with the use of supplemental services, which allows for further flexibility to meet demand at peak periods when the system is at overcapacity, and the HandyDart vehicle is carrying maximum loads. The expansion is estimated to increase revenue by \$6,750, and would be implemented in April 2021.

The graph below shows the estimated cost-sharing for this expansion under the BC Transit Shared Services Model.



BUDGET FORECAST

The below graph indicates the City of Prince George (Local Contribution - Expenses less Revenue) Budget forecast, and includes the proposed Option One and Option Two for comparison. These forecasts do not consider changes in current revenues, and are projecting expenses. Increases projected in 20/21 and 21/22 reflect costs that include the implementation and maintenance of information systems and technological improvements (e.g. Smart Bus), fuel costs, ICBC rates, and other operating expenses.



SUMMARY AND CONCLUSION:

The Conventional System during the 2020/2021 AOA period proposes two options. Both options will provide an additional 4000 service hours (4.6% increase from base 2019/2020 levels) and a revenue stream of \$71,136. Where the two options differ is that Option One will only procure one fleet vehicle, and focus equally on peak and off peak service enhancement, with a net municipal cost of \$190,851. Whereas, Option Two will procure three fleet vehicles, introduces Frequent Transit service in an east/west and north/south trajectory (with a focus on institutional user access), and additional off-peak service provided as warranted. Option two will cost approximately \$265,881 to the municipality.

During the 2022/2023 AOA period, the Frequent Transit Network, will be further developed, and will result in a \$290,947 increase in cost with an additional 5,000 hours of service to be introduced (5.76% increase) from 2021/2022 base service levels, with an expected revenue of \$88,920.

For the 2020/2021 AOA period, the custom service will expand the weekday service span by an additional one hour/day for a total increase of five hours per weekday of service; this will result in an increase of \$28,760 in cost. But through the use of supplemental services, the custom system is expected to generate \$16,875 in revenue, and bring the three Transit systems into closer alignment with regard to service span.

Whereas, the net municipal share of the transit budget for the Custom Bus system is estimated to increase by \$11,571 in the 2021/2022 AOA period to coincide with weekend service expansion of six hours/day from base 2019/2020 levels. This will also result in an estimated \$6,750 increase in revenue for the custom bus system.

In order to advance our community's implementation priorities identified within the *Future Transit Plan*, Administration recommends that Council approve proceeding with the request to the province for these four initiatives, and should the funding be approved, the City will commit to budget its municipal share portion as follows:

- the Proposed Conventional System Expansion Initiatives for service hours and fleet procurement as outlined in Exhibit A for the 2020/2021 and 2022/2023 AOA periods respectively; and,
 - Approve Expansion Option Two inclusive of three fleet vehicles and introduction of the Frequent Transit Service from the downtown to UNBC and CNC respectively.
- the Proposed Custom Bus Expansion Initiatives as outlined in Exhibit A for the 2020/2021 and 2021/2022 AOA periods respectively.

RESPECTFULLY SUBMITTED:



Ian Wells, General Manager Planning and Development

PREPARED BY: Champa M. Maduranayagam, Transit Planner

APPROVED:



Kathleen Soltis, City Manager
Meeting date: June 10, 2019