



## Notice of Meeting and Meeting Agenda Transportation Committee

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Wednesday, July 22, 2026

1:30 PM

Electronic  
625 Fisgard St.  
Victoria, BC V8W 1R7

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### Electronic Meeting

#### ELECTRONIC MEETING

[26-0840](#) Electronic Meeting Notice

In accordance with Capital Regional District Board Procedures Bylaw No. 3828, the meeting will take place electronically with committee members participating on Microsoft Teams. Members of the public may attend the meeting by connecting to the meeting by phone (1-877-567-6843 ID: 343 294 432#), electronically (MS Teams link below) or in person at the public viewing room (Capital Regional District, 625 Fisgard Street, Room 129).

**Attachments:** [MS Teams Link: TC Electronic Meeting - July 22, 2026](#)

D. Murdock (Chair), S. Goodmanson (Vice Chair), P. Brent, S. Brice, J. Caradonna, Z. de Vries, B. Desjardins, D. Kobayashi, M. Tait, D. Thompson, Alt. M. Wagner, R. Windsor, C. McNeil-Smith (Board Chair, ex officio)

The Capital Regional District strives to be a place where inclusion is paramount and all people are treated with dignity. We pledge to make our meetings a place where all feel welcome and respected.

#### 1. Territorial Acknowledgement

#### 2. Approval of Agenda

#### 3. Adoption of Minutes

3.1. [26-0850](#) Minutes of the Transportation Committee Meeting of May 27, 2026

**Recommendation:** That the minutes of the Transportation Committee meeting of May 27, 2026 be adopted as circulated.

**Attachments:** [Minutes: May 27, 2026](#)

#### 4. Chair's Remarks

## 5. Presentations/Delegations

*The public are welcome to attend CRD meetings in-person.*

*Delegations will have the option to participate electronically. Please complete the online application at [www.crd.ca/address](http://www.crd.ca/address) no later than 4:30 pm two days before the meeting and staff will respond with details.*

*Alternatively, you may email your comments on an agenda item to the CRD Board at [crdboard@crd.bc.ca](mailto:crdboard@crd.bc.ca).*

## 6. Committee Business

### 6.1. [26-0791](#) Transportation Governance Update

**Recommendation:** The Transportation Committee recommends to the Capital Regional District Board:

1. That staff continue advancing a stepwise approach to regional transportation governance, including ongoing engagement with local governments, regional partners, and other jurisdictions;
2. That the Board request the Province to work with the Capital Regional District (CRD) to advance the development of legislative changes to enable more integrated regional transportation decision-making, including the integration of the Victoria Regional Transit Commission responsibilities into a fully representative CRD governance model that:
  - a) Aligns the planning, investment, and delivery of regional multi-modal transportation priorities;
  - b) Enhances responsiveness and accountability to local governments;
  - c) Integrates transit with regional transportation priorities; and
  - d) Enables exploration of broader funding tools and delivery models aligned with implementation of the Regional Transportation Plan.
3. That staff report back in 2027 with recommended governance pathways, including legislative considerations and proposed phasing and mitigation strategies in consultation with regional partners to support implementation.

**Attachments:** [Staff Report: Transportation Governance Update](#)  
[Appendix A: 2012 Modernizing The Partnership Report](#)  
[Appendix B: 2013 CRD Transit Governance Review](#)  
[Appendix C: 2026 Q1 - RTP What We Learned Engagem't Sum](#)  
[Appendix D: 2026 Q2 - RTP Gov & Decision-Making: Early Wkshp Sum](#)  
[Presentation: Transportation Governance Update](#)

**6.2.**      [26-0792](#)      Regional Transportation Advisory Committee Recommendation to Advocate on Transit Funding

**Recommendation:** The Regional Transportation Advisory Committee recommends the Capital Regional District Transportation Committee recommends to the Capital Regional District Board:

1. That the Capital Regional District (CRD) Board advocate to the Province of British Columbia to collaborate with the CRD to:
  - i. Provide stable, multi-year transit funding to maintain existing service levels and support expansion aligned with regional transportation priorities; and
  - ii. Explore new and expanded funding tools that support implementation of the regional multimodal transportation system as part of regional transportation governance improvements.

**Attachments:**      [Staff Report: RTAC Recommend to Advocate on Transit Funding](#)  
                                 [Appendix A: RTAC June 18, 2026 Agenda Memo](#)

**7. Notice(s) of Motion**

**8. New Business**

**9. Adjournment**

There are no further meetings scheduled in 2026.

## Transportation Committee

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Wednesday, July 22, 2026

1:30 PM

Electronic

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### **Connect to the meeting electronically:**

Join: <https://teams.microsoft.com/meet/297422995213560?p=H2gQZFZ5WMMEosN20a>

Meeting ID: 297 422 995 213 560

Passcode: Cb9uf6uA

### **Connect to the meeting by phone:**

+1 778-402-9211,,343294432# Canada, Victoria

(877) 567-6843,,343294432# Canada (Toll-free)

Find a local number

Phone conference ID: 343 294 432#

### **Attend the public viewing room:**

Capital Regional District, 625 Fisgard Street, Room 129

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## Meeting Minutes

### Transportation Committee

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Wednesday, May 27, 2026

1:30 PM

6th Floor Boardroom  
625 Fisgard St.  
Victoria, BC V8W 1R7

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#### PRESENT

D. Murdock (Chair), S. Goodmanson (Vice Chair), J. Bateman (for M. Tait) (EP), S. Brice, J. Caradonna, Z. de Vries, B. Desjardins (EP), R. Fawcett (for P. Brent), D. Kobayashi (EP), D. Thompson, Alt. M. Wagner, C. McNeil-Smith (Board Chair, ex officio)

STAFF: K. Lorette, General Manager, Housing, Planning and Protective Services; P. Klassen, Senior Manager, Regional Planning and Transportation; S. May, Senior Manager, Corporate Capital Project Delivery Services; K. McCann, Manager, Regional Trails and Trestles Renewal; G. Tokgoz, Manager, Transportation; J. Douillard, Senior Transportation Planner; M. Miklea, Deputy Corporate Officer/Manager, Legislative Services; J. Ives, Committee Clerk (recorder)

EP - Electronic Participation

Regrets: Directors Brent, Tait, Windsor

Guests: Matt Boyd, Director, Service Planning, BC Transit; Levi Megenbir, Manager, Service Planning, BC Transit

The meeting was called to order at 1:30 pm.

#### 1. Territorial Acknowledgement

Vice Chair Goodmanson provided a Territorial Acknowledgement.

#### 2. Approval of Agenda

**MOVED by Director Brice, SECONDED by Director Goodmanson,  
That the agenda for the Transportation Committee meeting of May 27, 2026 be  
approved.  
CARRIED**

#### 3. Adoption of Minutes

3.1. [26-0619](#) Minutes of the Transportation Committee Meeting of March 25, 2026

**MOVED by Director Brice, SECONDED by Director Goodmanson,  
That the minutes of the Transportation Committee meeting of March 25, 2026 be  
adopted.  
CARRIED**

#### 4. Chair's Remarks

Chair Murdock remarked that he was looking forward to the presentation from BC Transit staff and to discussing two Motions with Notice later in the meeting.

#### 5. Presentations/Delegations

- 5.1. [26-0596](#) Presentation: Matt Boyd, Director, Corporate and Strategic Planning, BC Transit; Levi Megenbir, Manager, Service Planning, BC Transit; Re: Draft Victoria Regional Transit Plan - Update

M. Boyd and L. Megenbir presented Item 5.1. for information.

**MOVED by Director McNeil-Smith, SECONDED by Director Goodmanson,  
That the presentation speaking time be extended beyond the scheduled ten  
minutes.**

**CARRIED**

Discussion ensued regarding:

- network and route design guidelines informed by land use and density
- Victoria Regional Transit Plan (VRTP) goals are funding dependent
- aligning the VRTP with BC Transit's climate goals
- twenty-five-year vision is based on Official Community Plans across the region, with short-term planning based on current density and available funding
- collaboration between CRD staff, BC Transit and municipal partners

#### 5.2. Delegations

There were no delegations.

#### 6. Committee Business

**6.1.     [26-0598](#)     Aligning Regional Transportation and Growth Planning**

K. Lorette spoke to item 6.1.

Discussion ensued regarding:

- enhanced authority to implement programs under the new Regional Transportation Service
- importance of examining growth and transportation concurrently
- aligning regional leadership and coordination of priorities and advocacy

**MOVED by Director Caradonna, SECONDED by Director de Vries,  
That the Transportation Committee recommend to the Capital Regional District Board:**

- 1. That the Regional Transportation Plan (RTP) project team provide an update to the Planning and Protective Services Committee on how the ongoing RTP update relates to regional growth planning and land use integration, for context and consideration of a potential update to the Regional Growth Strategy; and**
- 2. That this report be referred to the Planning and Protective Services Committee for information.**

**CARRIED**

**6.2.     [26-0602](#)     Regional Trestles Renewal, Trails Widening and Lighting Project Update - May 2026**

S. May presented Item 6.2. for information.

Discussion ensued regarding:

- planning for alternate routes during remediation work on Selkirk Trestle
- coordination with the City of Victoria and BC Hydro around concurrent construction projects and closures
- enhancing communication with the public regarding project scope and timelines for closures and detours
- access trails that connect to the Galloping Goose and Lochside trails
- adherence to the timeline is a key challenge given the complexity of the project

**6.3.     [26-0577](#)     Previous Minutes of Other CRD Committees and Commissions for Information**

K. Lorette presented Item 6.3. for information.

**There is no recommendation. The following minutes were received for information only:**

- a) Regional Transportation Advisory Committee minutes of January 27, 2026**

**7. Notice(s) of Motion**

7.1. [26-0591](#) Motion with Notice: Regional Transportation Plan Regional Bikeshare Program (Director Thompson)

D. Thompson spoke to Item 7.1.

Discussion ensued regarding:

- a bikeshare program is under consideration for inclusion in the Regional Transportation Plan
- consistent support for this initiative across interest holder groups
- a range of delivery models may be considered

**MOVED by Director Thompson, SECONDED by Director Caradonna,  
The Transportation Committee recommends to the Capital Regional District  
Board:**

**That staff consider and report on options for coordinating a regional bikeshare program as part of the Regional Transportation Plan.**

Amendment Motion:

**Moved by Director McNeil-Smith, SECONDED by Director Brice,  
That the main motion be amended by striking out the words “and report on” after  
the word “consider”.**

**CARRIED**

The question was then called on the main motion as amended:

**The Transportation Committee recommends to the Capital Regional District  
Board:**

**That staff consider options for coordinating a regional bikeshare program as part  
of the Regional Transportation Plan.**

**CARRIED**

**7.2. [26-0595](#)**

Motion with Notice: Regional Transportation Plan Transit Flow Improvement Measures (Director Thompson)

D. Thompson spoke to Item 7.2.

Discussion ensued regarding transit flow improvement measures currently under consideration for inclusion in the Regional Transportation Plan.

**MOVED by Director Thompson, SECONDED by Director Caradonna,  
The Transportation Committee recommends to the Capital Regional District  
Board:**

**That staff consider and report on options for coordinating with municipalities to advance transit lanes, signal priority, and other transit flow improvement measures, and including such measures in the Regional Transportation Plan.**

Amendment Motion:

**MOVED by Director McNeil-Smith, SECONDED by Director Brice,  
That the main motion be amended by striking out the words "and report on" after the word "consider"; striking out the comma and the words "and including such measures in the"; and inserting with the words "as part of" before the words "the Regional Transportation Plan".**

**CARRIED**

The question was then called on the main motion as amended:

**The Transportation Committee recommends to the Capital Regional District  
Board:**

**That staff consider options for coordinating with municipalities to advance transit lanes, signal priority, and other transit flow improvement measures as part of the Regional Transportation Plan.**

**CARRIED**

**8. New Business**

There was no new business.

**9. Adjournment**

**MOVED by Director Thompson, SECONDED by Alternate Director Wagner,  
That the Transportation Committee meeting of May 27, 2026 be adjourned at 2:56 pm.**

**CARRIED**

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CHAIR

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RECORDER

## **REPORT TO TRANSPORTATION COMMITTEE MEETING OF WEDNESDAY, JULY 22, 2026**

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### **SUBJECT     Transportation Governance Update**

#### **ISSUE SUMMARY**

In accordance with Capital Regional District (CRD) Board direction, this report provides an update on the ongoing work to strengthen regional transportation governance, including progress to date under a stepwise approach following the establishment of the Regional Transportation Service (RTS) and advancement of the Regional Transportation Plan (RTP).

The report outlines emerging considerations and potential next steps to support fully representative and more integrated regional transportation decision-making, including alignment of planning, funding and delivery of a multi-modal transportation system.

#### **BACKGROUND**

##### **Context for Governance**

Transportation governance in the CRD has remained relatively stable for several decades, with current structures largely established in the 1970s. Previous reviews, including the 2012 BC Transit Independent Review and the 2013 CRD Transit Governance Review (Appendix A and B), identified challenges related to fragmented authority, limited regional representation, and misalignment between planning, funding and decision-making. Consistent with these historic governance challenges, early CRD Board direction includes a 2011 resolution requesting that the Province consider transferring the responsibilities of the Victoria Regional Transit Commission (VRTC) to the CRD.

Since that time, the region has experienced significant growth and change. Population increases, evolving commuting patterns, and greater expectations for a multi-modal transportation system have increased the complexity of transportation planning and delivery. Meanwhile, no single regional body has emerged with the governance mandate, authority or representation needed to guide the full transportation system.

While investments in active transportation have contributed to increased mode share, transit mode share trends have seen limited positive change, and securing service levels aligned with regional needs remains a challenge under current governance and funding structures. These trends suggest system-level constraints that extend beyond individual projects and highlight the need for multi-modal integration to overcome the ongoing challenge of coordinating decisions across multiple jurisdictions and agencies within the current governance framework.

In response, the CRD Board identified transportation governance as a strategic priority for the 2023-2026 term, with direction to explore options to support more integrated and effective regional transportation outcomes. The update of the Regional Transportation Plan (RTP) provides a timely opportunity to consider how governance structures can support implementation of regional priorities.

## **Establishment of the Regional Transportation Service**

The establishment of the RTS in 2025 marked a significant step in evolving the CRD's role in regional transportation and reflects a shared regional commitment to addressing regional transportation needs through a dedicated service. The RTS expanded the CRD's mandate to include a broader range of planning and delivery functions, with an initial focus on consolidating existing services and advancing the RTP to define updated regional priorities.

At its July 9, 2025 meeting, the CRD Board endorsed a stepwise approach to governance. This included maintaining a Committee-based structure in the near term, while directing RTS staff to further explore opportunities to strengthen decision-making through the RTP process. This direction included consideration of a Commission model within the CRD's existing authorities, as well as exploring the transfer of VRTC responsibilities to the CRD, which would require provincial approval and legislative changes.

Since the establishment of the RTS, governance-related work has advanced alongside service implementation. Key initiatives have included incorporating regional trails into CRD's regional transportation planning, establishing the Regional Transportation Advisory Committee (RTAC), dissolving the Traffic Safety Commission and transitioning safety into RTAC, ongoing collaboration with BC Transit and the Ministry of Transportation and Transit (MoTT), and embedding governance considerations into RTP development and engagement.

## **Stepwise Governance Work and Engagement**

Following Board direction, staff have carried out analysis and engagement to inform stepwise governance considerations. This work has included revisiting previous governance studies, reviewing current governance models and service delivery structures in BC, and assessing potential pathways to strengthen regional decision-making both within and beyond the CRD's existing authorities.

Reviews of governance structures in other jurisdictions demonstrate that while models vary, more integrated approaches typically align authority, funding and accountability within a single framework, resulting in more sustainable progress toward mode share objectives than non-integrated structures.

Engagement has included ongoing executive-level collaboration with BC Transit and MoTT, outreach to other jurisdictions, and discussion through RTAC and the RTP process. Lessons from other regions highlight the importance of aligning governance structures with multi-modal funding tools to ensure that improved decision-making is supported by a funded investment strategy.

Regional engagement through the RTP process—including Q1 2026 engagement and a Q2 regional workshop (Appendix C and D)—identified governance as a key area of focus. Participants consistently highlighted challenges related to fragmented decision-making and identified a need for stronger regional coordination, improved transparency, and enhanced authority through the CRD to align transportation priorities across jurisdictions. Feedback also indicated that coordination alone may be insufficient, and that governance structures may need to evolve to better support delivery of an integrated multi-modal system.

RTAC has also contributed to these discussions, including advancing a recommendation to advocate for stable transit funding and the exploration of new funding tools aligned with regional priorities. This reinforces the connection between governance, funding, and implementation.

## **Current Governance Considerations**

Work undertaken to date highlights several key considerations for effective regional transportation governance:

- the need for clearer leadership and integrated authority to support regional multi-modal decision-making;
- strengthening independent planning and evaluation capacity;
- ensuring full and equitable representation and accountability across the region;
- clarifying RTP implementation roles and responsibilities among regional partners; and
- aligning governance structures with funding tools and capital investment decisions.

As noted earlier, no single body has the mandate, authority and representation to guide the full multi-modal transportation system. Responsibilities remain distributed across multiple organizations, with transit governance operating through a separate structure that is not fully representative of all municipalities and electoral areas, nor equipped with the funding tools aligned with regional mode share goals. While this model has supported many successful investments, it can create challenges in aligning planning, funding and implementation decisions across the system.

As the RTP update progresses, it is increasingly clear that achieving regional objectives will require integrated decision-making across transportation modes. Recent work and reporting on aligning transportation and growth planning, endorsed by the CRD Board at its June 10 meeting, further reinforces that transportation outcomes are closely tied to land use decisions, and that fragmentation across governance structures can limit the region's ability to respond to growth or changing mobility patterns effectively.

This is particularly relevant in the context of the Regional Multi-modal Network (RMN), where alignment across jurisdictions is required to achieve consistent outcomes. Recent experience along major corridors in the region highlights the complexity of advancing regionally significant improvements across multiple jurisdictions, reinforcing the importance of integrated decision-making. Without a governance framework that supports alignment along the RMN, implementation of integrated transportation priorities may be limited.

## **Emerging Direction and Opportunity**

The work undertaken to date demonstrates that while some improvement is possible within the existing governance framework, further coordination of improvements will remain incremental and unlikely to support the level of integration required to deliver regional transportation priorities, including the region's transit mode share target. As the RTP takes shape, there is increasing clarity that more integrated decision-making—particularly across transportation modes, funding and investment—will be necessary if the region is to achieve its long-term objectives.

This need to think beyond the status quo of existing governance structures includes consideration of new approaches that more closely align planning, funding and decision-making within a single, regionally representative framework, and improved alignment of transit-related decision-making with broader regional transportation and land use priorities. Advancing such an approach would require collaboration with the Province, including consideration of legislative pathways, as well as coordinated planning with regional partners.



Concurrent with exploring legislative changes with the Province, there remains an opportunity to continue advancing stepwise governance improvements through ongoing collaboration, engagement, and refinement of existing structures. This includes the identification of potential phasing and mitigation strategies with all affected regional partners for the respective governance pathways being explored, and continued alignment of regional partners until a strengthened governance model is in place.

## **ALTERNATIVES**

### *Alternative 1*

The Transportation Committee recommends to the Capital Regional District Board:

1. That staff continue advancing a stepwise approach to regional transportation governance, including ongoing engagement with local governments, regional partners, and other jurisdictions;
2. That the Board request the Province to work with the Capital Regional District (CRD) to advance the development of legislative changes to enable more integrated regional transportation decision-making, including the integration of the Victoria Regional Transit Commission responsibilities into a fully representative CRD governance model that:
  - a) Aligns the planning, investment, and delivery of regional multi-modal transportation priorities;
  - b) Enhances responsiveness and accountability to local governments;
  - c) Integrates transit with regional transportation priorities; and
  - d) Enables exploration of broader funding tools and delivery models aligned with implementation of the Regional Transportation Plan.
3. That staff report back in 2027 with recommended governance pathways, including legislative considerations and proposed phasing and mitigation strategies in consultation with regional partners to support implementation.

### *Alternative 2*

The Transportation Committee recommends to the Capital Regional District Board:

1. That staff continue advancing a stepwise approach to regional transportation governance, including ongoing engagement with local governments, regional partners, and other jurisdictions;
2. That the Board request the Province to provide a mandate for the Ministry of Transportation and BC Transit to work with the Capital Regional District to further explore strengthened governance, including the Board-directed options or another potential model that:
  - a) Improves alignment of planning, funding, and decision-making across the regional multi-modal transportation system;
  - b) Enhances the responsiveness and accountability to local governments;
  - c) Strengthens integration between transit and regional transportation priorities; and
  - d) Explores broader funding tools and delivery models aligned with the Regional Transportation Plan implementation; and
3. That staff report back in 2027 on findings from the stepwise governance work and recommended next steps, aligned with completion of the Regional Transportation Plan.

### *Alternative 3*

That this report be referred back to staff for additional information based on Transportation Committee direction.

## **IMPLICATIONS**

### *Alignment with Board & Corporate Priorities*

Advancing regional transportation governance aligns with the CRD Board's 2023–2026 strategic priority to improve regional transportation and mobility. Strengthened governance supports coordinated decision-making and enables more effective delivery of regional priorities identified through the RTP. Without further alignment, implementation of regional priorities will continue to rely on coordination across multiple decision-making bodies.

### *Alignment with Existing Plans & Strategies*

The RTP update is intended to guide long-term transportation investment and policy direction in the region. Governance structures that better align planning, funding and decision-making will support implementation of RTP priorities and reinforce integration with other regional strategies, including the Regional Growth Strategy (RGS). Without this alignment, differences between regional plans and local implementation may persist. Without governance change, the RTP's goals and implementation as currently being developed would also have to be refined to acknowledge the limitations of existing multiple governance and funding structures.

### *Environmental and Climate Implications*

More integrated transportation decision-making supports regional climate objectives by improving alignment between land use, investment and mode choice. Governance structures that enable coordinated planning and funding are important to advancing sustainable transportation outcomes, including increasing transit mode share across the region through more integrated planning and access to broader funding tools. Growing transit mode share is critical to achieving climate objectives, as active transportation measures alone are unlikely to deliver the scale of emissions reductions required. Fragmented decision-making reduces the effectiveness of these investments in achieving climate objectives.

### *Financial Implications*

Improved governance alignment can support more coordinated and strategic investment decisions and enable exploration of additional funding tools to deliver regional priorities. The existing transit governance structure through the VRTC, is limited by an increasingly exhausted set of funding tools that places significant burden on household taxation. Any future governance changes may have financial and resource implications that will be evaluated through subsequent work. Without improved alignment and new funding tools, investment decisions may continue to be made incrementally and in an ad-hoc manner across separate processes.

### *Intergovernmental Implications*

Regional transportation governance involves local governments, BC Transit, and the Province, each with distinct roles and interests. Strengthening governance provides an opportunity to enhance regional representation, improve alignment of priorities, and support more integrated decision-making across jurisdictions.

For local governments, more integrated governance can improve transparency, influence over investment decisions, and alignment between local and regional priorities. Recent discussion through the RTAC, including related advocacy on transit funding and funding tools, reflects a shared regional interest in strengthening alignment between governance, funding and implementation.

Changes to regional transportation governance could also have implications for BC Transit. Phasing and mitigation strategies can be explored in advance of implementing any governance changes affecting BC Transit or other regional partners. Advancing governance changes, particularly those requiring provincial collaboration or legislative action, will depend on continued partnership with the Province and coordination across regional agencies.

#### *Regional Growth Strategy Implications*

Municipalities must ensure their Official Community Plans are consistent with the RGS. However, differences between local planning approaches and regional transportation priorities can still occur. These differences can create mismatches between transportation investments, land use decisions, and regional transportation goals.

Strengthening regional transportation governance can help improve alignment between transportation investment and growth patterns by supporting more coordinated decision-making across jurisdictions. Without strengthened alignment, disconnects between land use decisions and transportation investment may continue to affect system performance over time.

#### *Service Delivery Implications*

The RTS is being implemented through a phased approach, with governance identified as a foundational component. Enhanced governance structures can improve coordination across transportation modes and agencies, supporting more effective delivery of regional transportation programs and capital investments. Without further advancement, delivery will continue to rely on coordination across multiple organizations with separate decision-making processes. As a result, the implementation of RTP objectives may be constrained by existing governance and funding structures, potentially limiting the region's ability to fully realize the plan's intended outcomes.

### **CONCLUSION**

Significant work has been undertaken to date to understand and advance regional transportation governance. Building on past and recent studies, Board direction, and ongoing engagement through the Regional Transportation Plan (RTP), there is now a clear and consistent understanding of the current model and the challenges that remain. These include fragmented decision-making, limited alignment between planning, funding, and implementation, and the absence of a single, fully representative body with the mandate to guide the regional multi-modal transportation system.

As the RTP takes shape and regional priorities become more defined, it is increasingly evident that achieving the plan's objectives will require integrated decision-making. A governance model that aligns transportation planning, investment, and delivery across all modes, including transit, while providing full regional representation and access to appropriate funding tools, will be critical to delivering the outcomes envisioned in the RTP. This presents a timely opportunity to align governance with the region's emerging long-term transportation priorities.

While a stepwise approach has enabled meaningful progress to date, further advancement now requires a clear and deliberate next step. Strengthening governance in a way that meaningfully addresses current fragmentation and supports implementation of the RTP will require collaboration with the Province and consideration of legislative pathways.

Accordingly, the CRD and its regional partners are well positioned to build on the work completed to date and take the next step toward a more integrated, representative and effective regional transportation governance model.

### **RECOMMENDATION**

The Transportation Committee recommends to the Capital Regional District Board:

1. That staff continue advancing a stepwise approach to regional transportation governance, including ongoing engagement with local governments, regional partners, and other jurisdictions;
2. That the Board request the Province to work with the Capital Regional District (CRD) to advance the development of legislative changes to enable more integrated regional transportation decision-making, including the integration of the Victoria Regional Transit Commission responsibilities into a fully representative CRD governance model that:
  - a) Aligns the planning, investment, and delivery of regional multi-modal transportation priorities;
  - b) Enhances responsiveness and accountability to local governments;
  - c) Integrates transit with regional transportation priorities; and
  - d) Enables exploration of broader funding tools and delivery models aligned with implementation of the Regional Transportation Plan.
3. That staff report back in 2027 with recommended governance pathways, including legislative considerations and proposed phasing and mitigation strategies in consultation with regional partners to support implementation.

|               |                                                                                         |
|---------------|-----------------------------------------------------------------------------------------|
| Submitted by: | Patrick Klassen, MCIP, RPP, Senior Manager, Regional Planning and Transportation        |
| Concurrence:  | Kevin Lorette, P. Eng., MBA, General Manager, Housing, Planning and Protective Services |
| Concurrence:  | Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer                             |

### **ATTACHMENTS**

- Appendix A: 2012 Modernizing the Partnership Report of the BC Transit Independent Review Panel
- Appendix B: 2013 CRD Transit Governance Review
- Appendix C: 2026 Q1 – RTP What We Learned Q1 2026 Engagement Summary
- Appendix D: 2026 Q2 – RTP Governance and Decision-Making: Early Workshop Summary



# Modernizing the Partnership

## Report of the BC Transit Independent Review Panel

Submitted to:

Minister of Transportation and Infrastructure  
The Honourable Blair Lekstrom

August, 2012

August 1, 2012

The Honourable Blair Lekstrom  
Minister of Transportation and Infrastructure  
Room 342  
Parliament Buildings  
Victoria, B.C.  
V8V 1X4

**Dear Minister Lekstrom:**

It is our pleasure to submit the report of the BC Transit Independent Review Panel, which you established on March 15, 2012. Our report contains 18 recommendations that should, if accepted, ultimately result in improvements to the delivery of public transit in British Columbia.

During our review we heard from over 90% of local governments with public transit systems in British Columbia and were struck by the level of commitment to the delivery of high quality services to residents in every community. While local governments recognize that the level of provincial support for public transit in British Columbia is unmatched in the rest of Canada, they have legitimate concerns about the state of their relationship with BC Transit, including the nature of the partnership to deliver service, the level of communications and the degree of accountability.

The Panel spent time with the Board of Directors and staff at BC Transit. While they are working hard to address some of the issues identified by local governments and are making progress, we believe that there is more that can be done to strengthen the partnership. The panel also met with all three of the unions that represent staff at BC Transit, two private sector operators and one community which does not yet have a transit system.

The overarching theme in this report is that the delivery of public transit is based on a partnership between local governments and the Province. Our review found that British Columbia's transit systems compare very favourably with their counterparts across Canada, particularly in terms of ridership, supply of service and efficiency of the services provided. However, the structure of the partnership does not adequately recognize the significant funding contribution of local governments.



Our recommendations fall into three categories:

**Governance** – Fundamental changes are required to ensure that local government is recognized as a real partner;

**Decision making** – Parties that are impacted by the decisions of the other partner must have a role in the decision making process; and,

**Accountability** – Accountabilities in the partnership need to be strengthened, including improved reporting on performance.

You also asked us to review the current governance structure for transit in the Capital Regional District. As requested in our Terms of Reference, we have provided the pros and cons of having the system managed by the current Victoria Regional Transit Commission or having the responsibilities of the Commission transferred to the Capital Regional District. We have also provided a third alternative which addresses some of the concerns raised with the current model. All three options have advantages and disadvantages.

Although a number of our recommendations would require changes to legislation to fully implement we have offered suggestions, where appropriate, on how to implement the recommendations in advance of any legislative change.

The Panel would like to thank everyone who either met with us or took the time to provide a written submission. We benefitted greatly from the quality of discussions, patience in responding to our questions and the thoughtfulness of written submissions. Lastly, we would like to thank Tom Lee, our project manager, who kept us on track and on time.



Chris Trumphy, Chair



Catherine Hoyt



John King





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# List of Recommendations

## Recommendation 1

The Ministry of Transportation and Infrastructure should work with local governments with public transit services to develop the Government Letter of Expectations to BC Transit. The Letter of Expectations should clearly establish the roles, responsibilities and accountabilities of the provincial government, local governments and BC Transit.

## Recommendation 2

The provincial government should increase the membership of the Board of Directors from seven to nine. While this recommendation requires legislative change, the following recommendation (Recommendation 3) can be implemented with either a seven or nine person Board.

## Recommendation 3

Recognize the partnership for the delivery of public transit at the BC Transit Board. Specifically:

- i) The Board of BC Transit should provide local governments with a Board skills matrix to guide the selection of nominees to the Board.
- ii) The provincial government should revise the appointment process for the Board of Directors to allow local government to directly appoint representatives to the Board. Prior to legislative change Cabinet should accept nominations from local governments for appointment to the Board. A revised appointment process that would be consistent with existing legislation (current Board size) and an expanded Board under Recommendation 2 is outlined in the following table:

|                              | Under existing legislation                                                                                                  | With recommended legislative changes                                                                            |
|------------------------------|-----------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
| <b>Provincial government</b> | Appoints three members including Chair.                                                                                     | Appoints four members including Chair.                                                                          |
| <b>Local government</b>      | Nominates two members from the Victoria Regional Transit Commission and two other elected local government representatives. | Appoints two members from the Victoria Regional Transit Commission and three other local government appointees. |

## Recommendation 3 - Cont.

- iii) It is common practice that elected officials do not sit on the boards of Crown agencies since their responsibilities as a Director may conflict with their accountabilities as an elected official. The Panel considered two options for the appointment of the local government representatives and did not reach a conclusion on a preferred approach. The pros and cons of each approach are identified in the following table:

|                                                                                            | Pros                                                                                                                                                                                                                                                 | Cons                                                                                                                                                                                                     |
|--------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Option 1:</b><br>Local government appointments may include sitting elected officials.   | <ul style="list-style-type: none"> <li>Consistent with current practice.</li> <li>Knowledge of current needs/interests of local government.</li> </ul>                                                                                               | <ul style="list-style-type: none"> <li>Potential for high turnover due to local government election cycles.</li> <li>Risk of conflict in balancing local interests with BC Transit interests.</li> </ul> |
| <b>Option 2:</b><br>Local government appointments would exclude sitting elected officials. | <ul style="list-style-type: none"> <li>Provides continuity as appointments would not be tied to election cycle.</li> <li>Director would not be tied to single community.</li> <li>Easier to make appointments based on the skills matrix.</li> </ul> | <ul style="list-style-type: none"> <li>May not adequately represent local government interests.</li> </ul>                                                                                               |

- iv) Provincial government and local government Board appointments should be made on the basis of staggered terms to allow for Board continuity.
- v) The provincial government and local government should negotiate appointment guidelines to be consistent with standard board practices regarding appointments and terms. In order to implement these recommendations local governments would need to determine the appropriate body to coordinate the appointment process.

## Recommendation 4

The provincial government should amend the BC Transit Act to allow local government to appoint all members of a transit commission and allow the transit commission to hire its own clerical and technical staff. In the interim, Cabinet should accept nominations from local governments for appointment to transit commissions and BC Transit will continue to provide clerical and technical staff to transit commissions.

## Recommendation 5

Local government and BC Transit decision making authority should rest with the partner that bears the consequences or benefits of any decision. Where a decision of one partner will have an impact on the other partner, consultation should occur:

- i) The BC Transit Board should ensure that BC Transit decision making explicitly considers the impact on local governments and should ideally include a mechanism for local government sign off. For example, the BC Transit Board told the Panel that all decisions of the BC Transit Board that have capital cost implications for an individual transit system must have local government approval. BC Transit should ensure that all local governments are aware of this policy.
- ii) The BC Transit Board should ensure that any system wide capital spending decisions made by the BC Transit Board has input from an advisory panel consisting of local government representatives.
- iii) Local governments should provide sufficient notice to BC Transit on service adjustments so that the financial consequences of that decision are appropriately shared between the partners.
- iv) The Province should consult with local governments on provincial public transit policy.
- v) BC Transit should ensure that it engages with and considers the input of local governments and transit operating companies in route planning and scheduling activities.

To be clear, no changes in decision making authority are proposed but improvements in process are required.

## Recommendation 6

Local government should involve BC Transit in key planning issues and invite BC Transit to participate in official community planning processes. Local governments should provide BC Transit with information regarding decisions that may impact public transit including:

- Long term municipal transit budgets;
- Land use planning; and,
- Transportation planning and zoning decisions that will result in developments that will require transit services, or impact the ability to deliver public transit.

These requirements should be outlined in operating agreements between BC Transit and local governments.

## Recommendation 7

BC Transit should develop a strategic communications plan that includes provincial government, BC Transit and local government strategic goals for transit and share the plan with local governments. The plan should outline key dates and timelines for provincial government, BC Transit and local government decision making processes.

## Recommendation 8

The Ministry of Transportation and Infrastructure should provide BC Transit with clear direction on its role in implementing the Provincial Transit Plan.

## Recommendation 9

BC Transit and local governments should enhance accountability in operating agreements. While some roles and responsibilities are contained in existing Master Operating Agreements and Annual Operating Agreements, accountabilities could be strengthened by:

- Establishing information sharing requirements appropriate for all partners in operating agreements, including timelines and dates, performance measures (see recommendation 13) and local government planning (see recommendation 6);

## Recommendation 9 - Cont.

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- Establishing local government financial accountability for service decisions that result in costs that must be covered by BC Transit (see recommendation 5);
- Improving transparency by including the provincial share of debt servicing costs; and,
- Committing BC Transit to provide financial information to local governments based on the calendar year.

## Recommendation 10

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The provincial government should amend the BC Transit Act and Regulation to enable multi-year operating agreements.

## Recommendation 11

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The provincial government should amend the BC Transit Act and Regulation to require only one agreement between local governments and BC Transit and one operating agreement between BC Transit and a transit operating company for each transit service area.

## Recommendation 12

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BC Transit should work with local governments to set appropriate service standards for each transit system and provide annual data on system and route performance.

## Recommendation 13

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BC Transit should provide reports to Councils and Regional District Boards at least twice a year on: system ridership; cost per capita; passengers per capita; service hours per capita; cost per hour; cost per rider; and, revenue cost ratio. BC Transit should also provide each local Council and Board comparisons with peers and performance over time for each of these measures.

## Recommendation 14

BC Transit should develop, in partnership with local government staff, performance reporting templates which meet local government staff needs. Sample templates are provided for discussion in Appendix D.

## Recommendation 15

BC Transit should report in detail annually to local government on its administration costs, its fleet management activities and the benefits it provides from centralized purchasing in comparison to other transit systems across Canada.

## Recommendation 16

The provincial government should provide the Board of BC Transit with the authority to authorize commercial revenue activities within an established framework.

## Recommendation 17

The provincial government should provide BC Transit its capital funding through the established service plan process with output targets.

## Recommendation 18

The provincial government should develop a policy framework for intercity routes among multiple jurisdictions and if required amend the BC Transit Act and Regulation to provide for a stable mechanism to implement these routes.

# Role and Mandate of the Panel

On March 15, 2012 the Honourable Blair Lekstrom, Minister of Transportation and Infrastructure, appointed a three person independent panel to review issues with respect to BC Transit including:

- Transit system operations and performance;
- Governance;
- Funding; and,
- Local government consultation and communication processes.

The Panel was also asked to identify the pros and cons of transferring the roles and responsibilities of the Victoria Regional Transit System to the Capital Regional District. In conducting its review the panel was asked to review and evaluate matters through clear problem definitions with supporting evidence, and make recommendations on that basis. The panel was tasked to submit a report to Minister Lekstrom by the end of August 2012. The full Terms of Reference for the review are included in Appendix A.



# Introduction

## Public Transit in British Columbia

In 1979 the British Columbia government created the Urban Transit Authority (UTA), a Crown corporation whose role was to work in partnership with local governments in the development and management of local transit systems.<sup>1</sup> Initially responsible for the operation of 13 transit systems, the operation of the Victoria and Vancouver transit systems transferred from BC Hydro to the new organization a year later and in 1982, the UTA was renamed BC Transit.<sup>2</sup> The responsibilities for public transit in the Vancouver area are not included in the Terms of Reference for the Panel, as authority for public transit in Vancouver was transferred to TransLink in 1999.

BC Transit was founded on the basis of a funding partnership between the provincial government and local governments to provide public transit throughout British Columbia. The key element of this funding partnership was that the costs of providing local public transit would be cost-shared between the government of British Columbia and local communities.

The delivery of public transit through a Crown corporation, and the funding of public transit through a provincial/local government partnership is unique in Canada, and has resulted in BC having the highest proportion of provincial government funding and availability to the most communities.

The BC Transit Regulation outlines the sharing of costs for conventional transit systems (which serve the general population in urban settings and offers scheduled bus service that operates on fixed routes) and custom/paratransit systems (which employs vans, minibuses and taxis for dial-a-ride and door-to-door handyDART service for passengers with disabilities who cannot use conventional transit). Conventional transit services represent 83%<sup>3</sup> of public transit spending in the province.

The sharing of costs under the current Regulation is outlined in Table 1.

Table 1 - Cost Sharing of Public Transit in British Columbia

|                                                            | Provincial Share | Local Government Share |
|------------------------------------------------------------|------------------|------------------------|
| Conventional Transit <sup>4</sup>                          | 46.69%           | 53.31%                 |
| Custom Transit                                             | 66.69%           | 33.31%                 |
| Victoria Regional Transit System Conventional <sup>5</sup> | 31.70%           | 68.30%                 |
| Victoria Regional Transit System Custom                    | 63.0%            | 37.0%                  |

1-Curtis (1978, June 12). "Urban Transit Authority Act." British Columbia. Legislative Assembly. Official Report of the Debates of the Legislative Assembly (Hansard). 31st Parliament, 3rd Session. Retrieved from [http://www.leg.bc.ca/hansard/31st3rd/31p\\_03s\\_780612p.htm#02203](http://www.leg.bc.ca/hansard/31st3rd/31p_03s_780612p.htm#02203).

2-BC Transit. BC Transit History. [http://bctransit.com/corporate/general\\_info/history.cfm](http://bctransit.com/corporate/general_info/history.cfm)

3-Source: BC Transit.

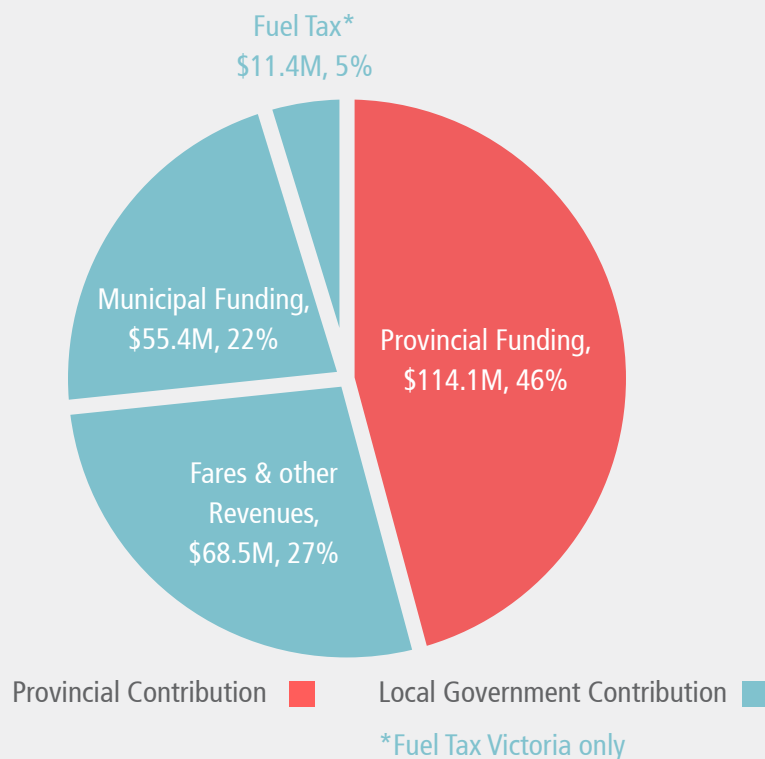
4-British Columbia Transit Regulation (B.C.Reg. 30/91) S 7.

5-British Columbia Transit Regulation (B.C.Reg. 30/91) S 2.

The provincial share of costs is provided to BC Transit through an annual appropriation of the provincial government, while the local share of transit costs is raised through the imposition of property taxes, the collection of fare revenue (rates of which are set by the local government) and advertising revenues generated by the transit system.<sup>6</sup> Funding for the local government contribution to the Victoria Regional Transit Commission also includes a 3.5¢/litre fuel tax. A summary of system-wide funding in 2010/11 is shown in Figure 1.<sup>7</sup>

In spite of the provincial-local government funding partnership, BC Transit's governance and decision making model does not recognize local governments as a significant funding partner. As a result, local governments have little direct influence on many of the issues that impact the cost of delivering public transit in their community. While BC Transit is taking a number of steps to try and address this issue, improvements to the governance and decision making model are required.

Figure 1 - System Wide Funding 2010/11



<sup>6</sup>-British Columbia Transit Act, 1996 (BC) S 14(1).  
<sup>7</sup>-BC Transit. Annual Report 2010/11. P.6.

## What Has Changed

Since the creation of the UTA, the public transit system managed by BC Transit has grown from 13 local systems to 81 conventional and custom transit systems delivered with 58 local funding partners (Table 2).<sup>8</sup>

Table 2 - Growth of BC Transit

|                              | 1979   | 1989   | 1999    | 2009/10 | 2010/11 |
|------------------------------|--------|--------|---------|---------|---------|
| Number of Systems            | 13     | 47     | 57      | 81      | 81      |
| Fleet of Buses               | 190    | 322    | 642     | 1030    | 1028    |
| Annual Expenditure (million) | \$57.6 | \$72.9 | \$130.5 | \$218   | \$249   |
| Ridership (million)          | 19.2   | 21.1   | 29.5    | 48.8    | 51.2    |

Public transit initially had a simple objective – move people. Over time, the growth in transit services has also been accompanied by an expanded role for public transit in community development including:

- Public transit's growing socio-economic role. Public transit provides transportation options to seniors, youth, people with low incomes and people with disabilities regardless of where they choose to live in the community;
- Public transit has become an important component of regional transportation and sustainability planning;
- Public transit's increased importance as part of provincial transportation planning. The Provincial Transit Plan calls for transit ridership to double by 2020, which will also contribute to the provincial plan to reduce greenhouse gas (GHG) emissions by 33% by 2020.<sup>9</sup>

Public transit is also faced with increasing financial pressures. High fuel prices encourage more people to use public transit, which contributes to provincial and local government goals to increase public transit ridership. At the same time, high fuel prices increase the costs of operating the public transit system, bus prices and other costs are increasing and increased service levels require increased government funding to support operations.

<sup>8</sup>-Data from 1979 through 1999 can be found in Shaping our Future BC Transit's Strategic Plan 2030 (p.10). 1979-1999 costs have been adjusted to 2009 dollars. 2009-2011 data is found in BC Transit's Annual Report 2009/10 (p.6) and Annual Report 2010/11 (p.5) and have not been adjusted.

<sup>9</sup>-Government of British Columbia. The Provincial Transit Plan (2008), p6.

The cumulative effect of these changes is that local governments have become increasingly knowledgeable about the role of public transit in their communities. Local governments, like other levels of government, are facing budget pressures which draw attention to the costs of delivering public transit. However, while local governments are a major contributor of funding to the public transit system, local government's funding role has never been adequately reflected in BC Transit's governance and decision making. As public transit becomes more important and costly, it is important that the needs of both of BC Transit's funding partners are addressed.

As public transit service levels have grown, many operating companies that deliver the service in local communities have become larger and more sophisticated. Some of the larger operating companies in British Columbia operate transit systems elsewhere in North America, and have operating and planning expertise that can assist BC Transit and local governments in delivering efficient transit services to their customers. Because these companies operate locally they can also provide insight into local demands, needs and operating conditions.

## Current Status

### How Public Transit is Delivered

BC Transit is a provincial Crown corporation established under the British Columbia Transit Act. The purposes of BC Transit are:

- i) to plan, acquire and construct public passenger transportation and rail transit systems that support regional growth strategies, official community plans and economic development;
- ii) to provide for the maintenance and operation of those systems;
- iii) to pursue commercial opportunities and undertake or enter into commercial ventures in respect of those systems and the authority's assets and resources<sup>10</sup>.

<sup>10</sup>-British Columbia Transit Act, 1996 (BC) S 3(1).

The Act provides for the governance of BC Transit through a Board of Directors that is appointed by the British Columbia Executive Council, or Cabinet (referred to from this point on as the Cabinet<sup>11</sup>). The Board is accountable to the Minister of Transportation and Infrastructure, on behalf of Cabinet. The Board consists of seven members, four of which are elected local government representatives (two from the Victoria Regional Transit Commission and two from other regions/municipalities) and three at-large directors.<sup>12</sup> The governance of BC Transit was recently reviewed by the BC Auditor General, which made several recommendations regarding the structure and operation of the BC Transit Board.<sup>13</sup>

The Minister holds BC Transit accountable by providing direction through an annual "Government Letter of Expectations". The Letter provides government's annual direction to the Crown Corporation and is an agreement on respective accountabilities, roles and responsibilities. The Letter forms the basis for the development of BC Transit's Service Plan and Annual Service Plan Report.<sup>14</sup>

### Partnership with Local Government

BC Transit operates transit services in partnership with 58 local government partners across the province (outside Metro Vancouver), and serves over 130 communities. The provision of local transit service is outlined in a Transit Service Agreement between BC Transit and local government partner. This document is required under the BC Transit Act and establishes the transit service area and the general roles and responsibilities of each organization.

Local transit services and budget are established each year in an Annual Operating Agreement (AOA). The requirements of this three-party agreement (local government, operating company and BC Transit) are also established in the BC Transit Act. The AOA establishes the budget and revenue expectations for the year, the fares charged, and specifies the services to be provided to the community.

The three parties also sign a Master Operating Agreement (MOA). The MOA outlines the roles and responsibilities of the parties and contains the bulk of the requirements of the operating company in delivering transit services and includes such elements as risk management, environmental protection, insurance, reporting requirements,

<sup>11</sup>-Under the Act, appointments are made by the Lieutenant Governor in Council which in practice is a decision of the BC Executive Council, or Cabinet. When the Executive Council makes a decision and it has been approved by the Lieutenant Governor, it is said to have been made by the Lieutenant Governor in Council.

<sup>12</sup>-British Columbia Transit Act, 1996 (BC) S 4(1).

<sup>13</sup>-Office of the Auditor General of British Columbia, Crown Agency Board Governance (Report 2: May 2012).

<sup>14</sup>-Government's Letter of Expectations between the Minister of Transportation and Infrastructure and The Chair of British Columbia Transit, January 2012.

payment procedures and other business elements. MOAs have no defined term, but as an MOA forms part of the AOA, the termination or non-renewal of an AOA applies to both agreements. MOAs must also be renegotiated in the event of a change in operating companies.

Under the Act BC Transit may establish local or regional transit service areas to be governed by local or regional transit commissions.<sup>15</sup> Members of transit commissions are appointed by Cabinet from persons holding elected office on a municipal council or regional district board.

### Roles and Responsibilities

The Ministry of Transportation and Infrastructure (MOTI), BC Transit, local governments and transit operating companies each have different responsibilities in the provision of local transit services. BC Transit is responsible for coordinating the delivery of public transit including planning, funding, marketing and fleet management.

Private sector companies or non-profit societies operate the majority of the transit systems in the province through a contract with BC Transit. Nanaimo, Nelson, the Sunshine Coast and Powell River are exceptions, where the local government operates the transit system. The other exception is the Victoria Regional Transit System where BC Transit operates the conventional bus system and contracts for the operation and fleet maintenance of the custom transit system.

MOTI receives funding for BC Transit through the annual provincial government budget. BC Transit receives operational funding from MOTI on a monthly basis based on annual operating estimates provided by BC Transit. Capital funding to maintain the existing transit fleet, to undertake fleet expansion initiatives and other capital improvements (transit exchanges/garages) are provided through separate contribution agreements between MOTI and BC Transit. Capital expansion plans must be supported by an individual business case and submitted to MOTI for approval.

Local governments are responsible for strategic planning for their communities through a number of mechanisms such as Official Community Plans, sustainability plans, transportation planning etc.<sup>16</sup> Local governments establish their local transit priorities and set service levels, transit routes and fare structures.

<sup>15</sup>-British Columbia Transit Act, 1996 (BC) S25.

<sup>16</sup>-Local Government Act, 1996 (BC) S875.

## Public Transit in British Columbia Compares Well

The Review Panel conducted an analysis of the performance of transit systems in British Columbia against similar transit systems from across Canada (system “peers”), utilizing data collected in 2010 by the Canadian Urban Transit Association (CUTA)<sup>17</sup>. It should be noted that while it is generally representative, CUTA data is not completely accurate. For a number of reasons some municipalities do not collect and report on data at a level of detail required by CUTA. For systems in British Columbia, data is supplied by BC Transit and is based on the information contained in AOA’s. Because administrative costs are capped under provincial legislation, spending on public transit by some local governments is under-reported. For example, both Nanaimo and Kelowna indicated that they spend more on transit than is recognized in AOA’s. In addition, data for British Columbia systems are based on BC Transit’s fiscal year, while the data for communities in the rest of Canada are based on calendar years. In spite of these issues, the CUTA data is a good source of information to support our comparison of transit systems across Canada.

The Panel chose seven performance measures to assist in our comparison:

- i) Total annual system ridership. This is an indicator of the success of public transit in jurisdictions across the country.
- ii) The relative community expenditures on public transit (Cost per capita). This measure allows communities to benchmark the level of financial commitment made by BC Transit and the individual community for transit services as compared to other similarly-sized communities. Higher funding per capita reflects a higher level of investment.
- iii) The success of the transit system in attracting ridership (Passengers per capita). This measure allows communities with different populations to compare their ridership levels with other similar communities. The higher the number of passengers per capita, the greater the proportion of the population using transit.
- iv) The amount of service provided in the transit system (Amount of service hours per capita). Similar to cost per capita, this measure allows communities to benchmark the level of commitment made by the individual community for transit services as compared to other similarly-sized communities. The higher the service hours per capita, the higher the commitment by the local government to the provision of transit services.

<sup>17</sup>-Canadian Urban Transit Association. Canadian Transit Fact Book, 2010 Operating Data. (Toronto: Canadian Urban Transit Association, 2011).

- v) The efficiency of a transit system in providing services (Cost per hour).  
The amount of transit offered in a community is often expressed in terms of hours. This performance measure indicates how efficiently the service is operated in the community. The lower the cost per hour, the more efficiently the service is provided.
- vi) The effectiveness of a transit system in providing services to its target population (Cost per rider). While costs per hour may be similar from one system to another, the lower the cost per rider, the more successful the service is in attracting riders.
- vii) The self-sufficiency and financial performance of the transit system (Revenue to cost ratio). It is recognized that transit revenues do not cover all of the costs of operating a transit system. The higher the revenue to cost ratio, the greater the proportion of costs that are recovered through passenger and other revenues.

For the purposes of our comparison, the Panel divided transit systems into categories roughly based on system population and transit systems with similar service characteristics. It is generally recognized that comparing transit systems serving municipalities of significantly different populations is inappropriate. However, even when comparing transit services in municipalities of similar size the services and system design should also be similar.

For example, while there are several Canadian transit systems serving populations similar to Victoria, many serve as part of an overall commuter system for larger communities. Transit systems like those in southern Ontario, such as Burlington and Oakville, focus their services to provide feeder service to the GO Trains connecting their communities to downtown Toronto. As a result systems such as these were not included in our system comparisons with Victoria. Similarly, the transit systems in St. Albert and Strathcona County in Alberta were not included in the comparisons with systems in British Columbia of similar population, as these systems provide commuter services to Edmonton.

The Resort Municipality of Whistler was also excluded from the comparisons, as there are no other similar resort-based communities in Canada offering transit services.

The Panel organized public transit systems into four categories for the purposes of our analysis:



- i) The Victoria Regional Transit System ;
- ii) Large systems with populations over 60,000 (Nanaimo, Prince George, Central Fraser Valley, Kamloops and Kelowna);
- iii) Mid-size systems with populations between 25,000-60,000; and,
- iv) Small systems with populations of less than 25,000.

The Panel could not find a sufficient sample of communities in the CUTA database to conduct a comparative analysis of systems with populations fewer than 25,000.

**Table 3 - A Comparison of British Columbian and Canadian Transit Systems**

|                          | <b>Victoria<br/>Regional<br/>Transit<br/>System</b> | <b>Victoria<br/>Regional<br/>Transit<br/>System<br/>Peers (avg.)</b> | <b>Large Systems<br/>BC (avg.)</b> | <b>Large Systems<br/>Peers (avg.)</b> | <b>Mid-sized<br/>Systems BC<br/>(avg.)</b> | <b>Mid-sized<br/>Systems<br/>Peers (avg.)</b> | <b>Small<br/>Systems BC<br/>Only (avg.)</b> |
|--------------------------|-----------------------------------------------------|----------------------------------------------------------------------|------------------------------------|---------------------------------------|--------------------------------------------|-----------------------------------------------|---------------------------------------------|
| Ridership (millions)     | 24.85                                               | 15.22                                                                | 3.03                               | 3.20                                  | 0.49                                       | 0.74                                          | 0.25                                        |
| Cost/capita (\$)         | 209.22                                              | 148.71                                                               | 117.62                             | 114.65                                | 59.46                                      | 66.02                                         | 91.09                                       |
| Passengers/capita        | 69.8                                                | 49.4                                                                 | 32.3                               | 29.2                                  | 13.1                                       | 16.2                                          | 16.4                                        |
| Hours/capita             | 2.25                                                | 1.56                                                                 | 1.12                               | 1.21                                  | 0.61                                       | 0.85                                          | 0.75                                        |
| Operating Cost/hour (\$) | 92.93                                               | 95.26                                                                | 87.00                              | 90.58                                 | 84.62                                      | 81.23                                         | 97.17                                       |
| Cost/rider (\$)          | 3.00                                                | 3.01                                                                 | 3.10                               | 3.92                                  | 4.02                                       | 4.76                                          | 4.45                                        |
| Revenue/cost             | 46.9%                                               | 46.3%                                                                | 35.2%                              | 40.4%                                 | 29.3%                                      | 33.5%                                         | 24.8%                                       |

Table 3 provides an overview of the performance of transit systems from British Columbia and the rest of Canada. Overall, transit systems in British Columbia compare very favourably with their counterparts across Canada, particularly in terms of ridership, supply of service and efficiency of the services provided. The Panel's detailed review of system performance is contained in Appendix B.

Our assessment also found:

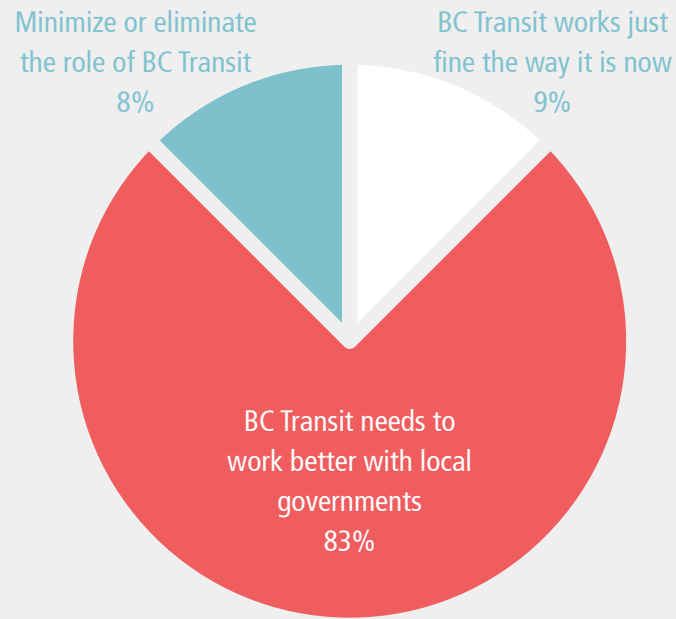
- Cost recovery rates for British Columbia systems are consistently lower than in other parts of the country, which is probably explained by the lower transit fares set by local governments in British Columbia.
- The Victoria Regional Transit System has significantly higher ridership and more hours of service than comparable systems in Canada, indicating a high level of support for transit.
- Large British Columbia systems provide noticeably fewer hours of service to attain equivalent ridership, indicating they are more effective than their peers.
- Mid-size systems compare well with their counterparts across the country.
- The Province and BC Transit have been very successful in encouraging the provision of transit services in small communities, which elsewhere in Canada would generally not have public transit.

Based on our analysis it is clear that one of the customers of BC Transit – the riders – enjoy a level of public transit services that is comparable to, or better than, other parts of the country in terms of ridership, amount of service provided and the operational efficiency and effectiveness of the transit system.

However, the BC Transit Review Panel was created in response to concerns expressed by BC Transit's other customer, local governments. While local governments may have concerns, it is clear that they too, support the BC Transit model. A survey conducted by the Panel in June 2012 found that 83% of BC Transit's local government partners felt that BC Transit was a valuable partner that allows communities to provide a standard of public transportation services that might not otherwise exist (Figure 2)<sup>18</sup>. However local governments also believe that BC Transit needs to work better with its local government partners on the delivery of transit services. The complete survey is contained in Appendix F.

<sup>18</sup>-Dialogue Research. BC Transit Independent Review Panel. Funding Partner Survey – Summary Report and Methods (June 29, 2012) p.27.

Figure 2: Local Government Attitudes Toward BC Transit



## What are the Challenges?

In spite of the overall good performance of the public transit system, local governments have expressed concerns about the state of their relationship with BC Transit. The BC Transit Review Panel conducted an extensive consultation process with local governments to determine the nature of local government concerns. In order to gather local government input, the Review Panel:

- Held 25 individual meetings with representatives from approximately 40 local governments;
- Conducted a survey of all BC Transit's local government partners (with an 82% response rate); and,
- Received written submissions from 30 local governments.

A complete list of meetings and submissions is contained in Appendix C.

Local governments strongly support public transit in their communities and appreciate the strong level of provincial funding support for local public transit. However, the Panel found that in spite of the significant funding contribution by both BC Transit and local government there is little joint accountability for decisions made around the provision of public transit. BC Transit's governance structure makes it more accountable to the provincial government than to local government. The Panel also found that local government in many cases does not sufficiently involve BC Transit in planning processes with public transit implications. This is not a partnership.

Concerns expressed by local governments to the Panel included:

#### Governance

- Local government appointments to the BC Transit Board are not made by local governments. Local governments would like to directly appoint local government representation on the BC Transit Board;
- Local governments do not support the creation of local and regional transit commissions to deal with inter jurisdictional and funding issues where transit services cross local government boundaries because the legislation does not allow local governments to make appointments to these commissions;
- The Victoria Regional Transit Commission membership structure does not adequately represent the member municipalities within the service area of the Commission;
- Transit is not being effectively integrated into broader community planning. Many local governments are moving towards a holistic view of transit services as being an integral part of community, transportation planning and urban mobility, which requires expertise that is beyond BC Transit's mandate; and,
- The existing governance model for public transit does not adequately address inter-community and regional transportation needs.

### Operations and Maintenance

- Some local governments do not want to pay for some of the services provided by BC Transit, as they have built the capacity to provide those services internally;
- Too many decisions are made unilaterally in Victoria and local knowledge, including that of transit operating companies, is not taken into account by BC Transit;
- There is confusion on whether BC Transit or local government has the primary responsibility for promoting local ridership;
- There is not enough of a local government profile on BC Transit buses;
- BC Transit makes unilateral fleet management decisions that impact local communities; and,
- More relevant and timely ridership information is needed to better manage local transit systems.

### Communications and Consultation

- BC Transit decision making processes and the resulting cost implications are not transparent;
- The quality and timeliness of communication between BC Transit and local governments is inconsistent; and,
- BC Transit makes unilateral decisions on issues that impact local taxpayers.

### Funding Relationship

- The costs of providing public transit are escalating;
- Local governments are not convinced they get value for the money they provide to BC Transit for the services it provides and they don't have enough information to make an evaluation; and,
- The misalignment of BC Transit and local government fiscal years causes budget and planning problems for local governments.

BC Transit has acknowledged the relationship problems it has with its local government partners and has undertaken a number of initiatives to improve its relationship including:

- The creation of Regional Transit Managers as a single point of contact within BC Transit;
- The creation of internal performance integration teams to coordinate responses to local government requests;
- Hosting annual workshops, train the trainer workshops, maintenance workshops and maintenance managers workshops;
- The development of a transparent capital projects approval process;
- The introduction of annual performance summaries and the provision of monthly system financial information;
- The provision of three-year budget information to local governments; and,
- The establishment of new consultation processes on initiatives such as the Enterprise Investment Initiative, Transit Future Plans and the Transit Improvement Program to engage local governments in BC Transit decision making.

While most local governments have responded positively to these initiatives they continue to have concerns regarding their relationship with BC Transit.

# Conclusions & Recommendations

## Modernize the Partnership

The foundation of the Review Panel's report is the conclusion that the delivery of public transit in British Columbia is a partnership, and that BC Transit should be accountable to both of its funding partners. However, the Panel found that the structure of the partnership leaves BC Transit primarily accountable to only one of the funding partners, the provincial government. The partnership between BC Transit and local government needs to be redefined.

As the operator of public transit systems across the province, BC Transit needs to be able to make decisions that benefit the system as a whole, but it also needs to be accountable to both of its funding partners for those decisions.

### **Recognize The Role of Local Government in The Government Letter of Expectations**

As a Crown corporation BC Transit takes its direction from, and reports to, the provincial government. The provincial government provides direction to BC Transit through an annual Government Letter of Expectations. The Letter of Expectations provides an opportunity for the provincial government to help reconstruct the partnership between BC Transit and local governments.

The Panel's review of the 2012-13 Letter of Expectations found that while the Letter clearly identified the Corporation's accountabilities to the provincial government, there were no corresponding accountabilities to local government.

The Letter also outlines government's responsibilities and accountabilities, again with no acknowledgement of local government as a funding partner. As such, there is no formal requirement for the provincial government to work with its funding partner to identify transit priorities or performance measures for public transit in British Columbia.

The Letter of Expectations sets the stage for the nature of the partnership between the provincial government and local governments in providing public transit in British Columbia. In order to modernize the partnership, the role of local governments must be recognized in the Letter of Expectations.

**Recommendation 1**

The Ministry of Transportation and Infrastructure should work with local governments with public transit services to develop the Government Letter of Expectations to BC Transit. The Letter of Expectations should clearly establish the roles, responsibilities and accountabilities of the provincial government, local governments and BC Transit.

**Membership of the BC Transit Board Should be Reflective of the Partnership**

The seven person Board of Directors of BC Transit is responsible for overseeing the management of the Corporation and implementing the Government Letter of Expectations for BC Transit. Members of the Board are appointed by Cabinet as outlined in the BC Transit Act. This authority for appointments recognizes the provincial role as a major funding partner for public transit and reinforces the accountability between the Province and BC Transit.

Local governments, as the other funding partner, have no input into who will represent them on the Board. While four members of the Board must be local government representatives under the Act, the local government members are appointed by Cabinet. As a result, the line of accountability flows between the Minister and the Board, and local governments are not recognized as full partners.

In a private company, the company's Board of Directors is appointed by the owners who have put equity into the company. With BC Transit, the provincial government and local governments contribute annual funding to support the operation of the public transit system. This annual funding contribution is arguably equivalent to the equity contribution in a private sector company and as a result all the funders should have input into the selection of the Board of Directors, and the Board should be accountable to all of its funding partners.

In its review of BC Transit's governance structure, the Review Panel referred to the Auditor General's review of BC Transit governance that was published in May 2012.<sup>19</sup> The Auditor General noted some areas for improvement in the Board's composition, appointment process and governance practices. The Auditor General also found that some of government's performance expectations of BC Transit are not clearly defined, and expectations were not developed with adequate consultation with the Board and

<sup>19</sup> Office of the Auditor General of British Columbia, Crown Agency Board Governance (Report 2: May 2012).



management. While the Panel agrees with the conclusions of the report, we would like to add the following observations.

We do not believe the seven person Board of Directors is of a sufficient size to allow for a committee structure to properly govern BC Transit's complex business. In addition, the Board's relatively small size may impact the ability to appoint Directors with the necessary set of skills to oversee a public transit company. In order to support effective governance of the organization, a robust Board skills matrix should be established to guide appointments to the Board of Directors. In addition to local government knowledge, the matrix should identify a set of preferred skills such as public transit expertise, board governance experience and marketing and finance skills.

### **Recommendation 2**

The provincial government should increase the membership of the Board of Directors from seven to nine. While this recommendation requires legislative change, the following recommendation (Recommendation 3) can be implemented with either a seven or nine person Board.

### **Recommendation 3**

Recognize the partnership for the delivery of public transit at the BC Transit Board. Specifically:

- i) The Board of BC Transit should provide local governments with a Board skills matrix to guide the selection of nominees to the Board.
- ii) The provincial government should revise the appointment process for the Board of Directors to allow local government to directly appoint representatives to the Board. Prior to legislative change Cabinet should accept nominations from local governments for appointment to the Board. A revised appointment process that would be consistent with existing legislation (current Board size) and an expanded Board under Recommendation 2 is outlined in the following table:

|                       | <b>Under Existing Legislation</b>                                                                                           | <b>With recommended legislative changes</b>                                                                                  |
|-----------------------|-----------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| Provincial government | Appoints three members including Chair.                                                                                     | Appoints four members including Chair.                                                                                       |
| Local government      | Nominates two members from the Victoria Regional Transit Commission and two other elected local government representatives. | Appoints two members from the Victoria Regional Transit Commission and three other elected local government representatives. |

- iii) It is common practice that elected officials do not sit on the boards of Crown agencies since their responsibilities as a Director may conflict with their accountabilities as an elected official. The Panel considered two options for the appointment of the local government representatives and did not reach a conclusion on a preferred approach. The pros and cons of each approach are identified in the following table:

|                                                                                            | Pros                                                                                                                                                                                                                                                 | Cons                                                                                                                                                                                                     |
|--------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Option 1:</b><br>Local government appointments may include sitting elected officials.   | <ul style="list-style-type: none"> <li>Consistent with current practice.</li> <li>Knowledge of current needs/interests of local government.</li> </ul>                                                                                               | <ul style="list-style-type: none"> <li>Potential for high turnover due to local government election cycles.</li> <li>Risk of conflict in balancing local interests with BC Transit interests.</li> </ul> |
| <b>Option 2:</b><br>Local government appointments would exclude sitting elected officials. | <ul style="list-style-type: none"> <li>Provides continuity as appointments would not be tied to election cycle.</li> <li>Director would not be tied to single community.</li> <li>Easier to make appointments based on the skills matrix.</li> </ul> | <ul style="list-style-type: none"> <li>May not adequately represent local government interests.</li> </ul>                                                                                               |

- iv) Provincial government and local government Board appointments should be made on the basis of staggered terms to allow for Board continuity.
- v) The provincial government and local government should negotiate appointment guidelines to be consistent with standard board practices regarding appointments and terms. In order to implement these recommendations local governments would need to determine the appropriate body to coordinate the appointment process.

### Adjust the Appointment Process for Transit Commissions

The BC Transit Act provides BC Transit with the authority to establish local transit commissions and regional transit commissions in areas where the same public transit system operates across local government boundaries. While the ability to establish commissions exists in legislation, the Victoria Regional Transit Commission is the only established transit commission in British Columbia<sup>20</sup>, providing services to 350,000 residents in 13 municipalities in the Greater Victoria region. Under the S25 (2) of the BC Transit Act, BC Transit must provide technical staff to support commissions.

The establishment of commissions results in a number of efficiencies in providing public transit, from better regional planning, coordination of routes and fares, through to the creation of administrative efficiencies from the amalgamation of operator contracts. A benefit of establishing commissions is that transit service areas can be defined in a way that best serves transit service goals for transit users, as opposed to being fixed based on local government boundaries.

Under current legislation, regional commissions are also able to request that the Province introduce a fuel tax in the commission's transit service area to support the transit system. In addition they can establish a reserve fund to manage fluctuations in revenues from one year to the next. While many transit systems in British Columbia are local in nature, there are a number of areas that are moving towards regional transit delivery – for example, the Central Okanagan and Fraser Valley – that would benefit from the establishment of a regional commission.

While BC Transit has been encouraging the development of transit commissions none have been established since the Victoria Regional Transit Commission. The Panel found that a major disincentive for local government to support the creation of commissions is the loss of local control and local accountability. Under the Act, BC Transit may establish transit service areas for commissions, but the appointments to commissions are the responsibility of Cabinet. Local councils oppose the appointment authority of Cabinet and express concern that the members of commissions are not accountable to the local area. This concern was also expressed with regard to the governance of the Victoria Regional Transit Commission (see later section on the Victoria Regional Transit Commission).

<sup>20</sup>-The only other commission in BC Transit history was the Vancouver Regional Transit Commission, also brought into creation in 1983 and folded in 1999 with the creation of TransLink. TransLink has different governance, funding and operating models as described in the Greater Vancouver Transportation Authority Amendment Act, 2007 and is outside the Terms of Reference for this review.

In order to encourage the creation of regional commissions, the BC Transit Act should be amended so that BC Transit may approve the establishment of commissions and local governments appoint members to the commission.

With regard to the BC Transit Act requirement that BC Transit provide “clerical and technical employees necessary to enable a commission to carry out its purposes and objects”<sup>21</sup>, the legislation should be changed to allow a commission that prefers to hire its own staff to do so.

#### **Recommendation 4**

The provincial government should amend the BC Transit Act to allow local government to appoint all members of a transit commission and allow the transit commission to hire its own clerical and technical staff. In the interim, Cabinet should accept nominations from local governments for appointment to transit commissions and BC Transit will continue to provide clerical and technical staff to transit commissions.

### **Strengthen Accountability Between the Partners**

Reconstructing the partnership that delivers public transit in British Columbia is more than revising the governance structure. The organizations in the partnership must also be accountable to each other for their actions and decisions. While the focus of the Review Panel’s report is on the relationship between BC Transit and local governments, there is actually a three-level accountability relationship in the provision of public transit in British Columbia:

- Each of the partners is accountable to their own stakeholders;
- Each of the partners is responsible to each other; and,
- The partnership is accountable to the users of the transit system.

<sup>21</sup>-British Columbia Transit Act, 1996 (BC) S25 (2).

Table 4: Responsibilities in the Provision of Public Transit

## MOTI

- Represents the provincial government
- Provincial policy
- Legislation
- Strategic Transportation Planning
- Cabinet appoints BC Transit Board
- Establishes expectations
- Approves Service Plan
- Approves regulations of the BC Transit Act
- Provides Provincial Share of Funding
- Cabinet appoints regional transit commissions
- Invests in the provincial highways system
- Planning and program development and implementation
- Approves BC Transit Capital Plan
- Approves BC Transit commercial activities

## BC Transit

- System Planning
- Route Planning and Scheduling
- Fleet management (purchase, planning, maintenance, inspections)
- Fuel purchasing, parts purchasing, inventory control
- Capital planning and acquisition( facilities, land lease and purchase)
- Marketing and Branding
- Strategic planning/Transit Future Plans
- Hiring Operating companies/ contract management
- Performance reporting and monitoring
- Safety, training, security programs and policy
- Operate the Victoria Regional Transit System and support the Victoria Regional Transit Commission
- Province wide advertising contracts for buses

## Local Government

- Community planning
- Approves land use
- Manage local transportation networks
- Set service levels, approve routes, set fares and property taxes
- Provides local input regarding community needs
- Provide bus stops/shelters
- Provides local share of funding

Table 4 outlines the current roles and responsibilities of MOTI, BC Transit, local government and transit operators. During the consultation process, the Review Panel found that there was a lack of understanding and clarity about some of the elements of each of the party's roles and responsibilities in the partnership. In addition, lines of accountability between the partners are not well defined, or even agreed upon.

### Decision Making

Decision making responsibilities between BC Transit and local governments are not aligned in a way that places the risks and rewards of a decision on the appropriate organization. As a result BC Transit and local governments may not have the incentive to make decisions that would maximize benefits to the transit system. While BC Transit has taken a number of initiatives to improve the decision making process, these activities should be formalized with local governments. Examples of the misalignment of responsibilities include:

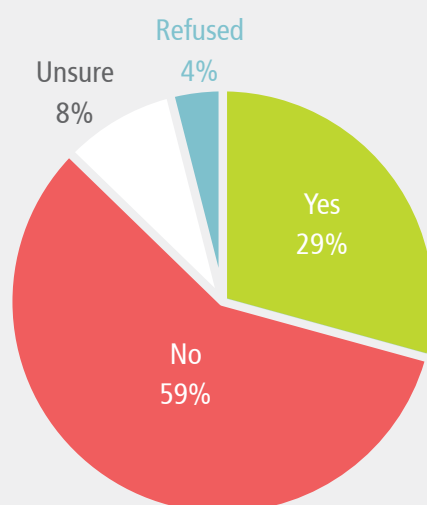
- Advertising revenues offset the local government contribution to local transit. This means that local governments have an incentive to increase advertising revenues in their communities. However, BC Transit manages the advertising for the entire fleet through the award of a province wide advertising contract. While a provincial contract may increase the advertising options for large advertisers, local governments with smaller systems did not feel that they have benefited from the contract as there is little incentive for the contract holder to sell advertising in smaller systems. This, in turn, reduces the opportunity to generate local advertising revenues for the system.
- Effective marketing and promotion helps to increase ridership, and offset local government costs to the transit system. There is a lack of a common understanding between BC Transit and local governments of their respective roles in marketing the transit system.

- Throughout the past two years, BC Transit has invested in branding and passenger information strategies to establish the BC Transit identity, including logo, livery and presentation format.<sup>22</sup> A consistent brand helps BC Transit promote a provincial transit system, create economies of scale in marketing and promotions, creates efficiencies in producing communications materials for each of the many systems, ensures customers and stakeholders are treated consistently across the province and facilitates the management of the province-wide fleet. Local governments indicated that BC Transit's branding guidelines minimize the profile of local governments as a major funding partner and as a result make it more difficult to promote transit as a local service paid for by local citizens.
- The incentive for local governments to improve the efficiency of their local transit system is reduced because the financial risk of any decision is shared with BC Transit. BC Transit's contribution to local transit services is fixed in legislation. As a result, there is less local accountability for decisions that result in a poor use of provincial money.
- Replacement bus purchasing decisions made by BC Transit may not fully consider the fiscal status of local governments. This is in contrast to system expansion and other capital projects where local government signoff is required.
- The implementation of new fare boxes in the regions was done with limited consultation. Some local governments indicated that the fare boxes could not do the type of reporting that they expected, and would have preferred to have had the opportunity to discuss local government needs and technology options with BC Transit before the decision to purchase the fare boxes was made.

<sup>22</sup>-BC Transit. Strategic Marketing Plan 2011/12 (July 2011).

As indicated in Figure 3<sup>23</sup>, local governments do not believe they have an appropriate level of involvement in decisions made by BC Transit that impact local budgets.

**Figure 3 - Do you have an appropriate level of involvement in decisions BC Transit makes that impact your budget?**



The roles and responsibilities of the Ministry, BC Transit, local governments and operators should be clarified so that responsibility for a decision will rest with the organization most likely to benefit from, or suffer the consequences of, the decision. For example,

- The amount of funding that a local government must raise through property taxes to support public transit is offset by the amount of revenues generated by the local transit system. As a result, the local government receives the rewards of marketing and promotion activities that increase ridership and alternatively, bear the risks of ineffective local marketing. Local government should be responsible for local marketing and promotion designed to increase ridership. BC Transit's role should be to support local efforts by promoting brand awareness, providing templates for local marketing programs and conducting provincial marketing campaigns to increase the overall awareness of public transit.



- As advertising revenues also offset local government costs, BC Transit's advertising contracts should be structured to provide an incentive to advertising companies to sell in smaller markets or alternatively, allow smaller communities who are not benefiting from the provincial marketing contract to manage the selling of bus advertising for their system.

There are also decisions made by both local governments and BC Transit that have the potential to significantly impact the other party. For example:

- A local government decision on local service levels will guide BC Transit decisions on fleet management. The Panel heard an example of a local government committing to a service increase only to reverse that decision after BC Transit had incurred long-term debt to finance the purchase of new buses to support the service;
- BC Transit makes system wide decisions (such as bus replacements, new technology) that ultimately impact local government budgets across the system. BC Transit needs to ensure that it understands the impacts of these types of decisions on local governments and local governments need to understand the implications of system wide decisions on local transit budgets; and,
- BC Transit makes capital spending decisions (transit exchanges, bus depots) that support the operation of the transit system, but result in cost increases for local governments in that transit system.

Where a decision of a local government or BC Transit will result in an impact to the other partner, the party making the decision must ensure that an appropriate level of consultation has occurred and in some cases should seek the approval of the other party before making that decision.

In a number of cases, local governments indicated that BC Transit does not fully consider local knowledge and expertise in its service planning processes and decision making. Local governments indicated that in some cases, local input into routing decisions was ignored. This resulted in a decline in ridership that was predicted by the local government. In addition, many operating companies that deliver the service in

local communities have become larger and more sophisticated, and have professional operating and planning expertise that can assist BC Transit and local governments to deliver efficient transit services to their customers. Further, since these companies operate locally they can provide insight into local demands, needs, and operating conditions.

BC Transit should ensure that it engages with and considers the input of local governments and transit operating companies in route planning and scheduling activities. In this way, BC Transit, local governments and operating companies will build on each organization's strengths, knowledge and expertise with the ultimate goal of improving transit services to the local communities which they serve.

Finally, the provincial government, through provincial transportation policy, also makes decisions that impact the provision of public transit. For example, the Provincial Transit Plan has goals on public transit ridership and mode share that influence the design and operation of local transit systems. Many local government objectives also focus on ensuring transit services are available to all citizens regardless of where they live in the community. The Province should consult with local government when developing public transit policies that may have an impact on the partnership.

### **Recommendation 5**

Local government and BC Transit decision making authority should rest with the partner that bears the consequences or benefits of any decision. Where a decision of one partner will have an impact on the other partner, consultation should occur:

- i) The BC Transit Board should ensure that BC Transit decision making explicitly considers the impact on local governments and should ideally include a mechanism for local government sign off. For example, the BC Transit Board told the Panel that all decisions of the BC Transit Board that have capital cost implications for an individual transit system must have local government approval. BC Transit should ensure that all local governments are aware of this policy.
- ii) The BC Transit Board should ensure that any system wide capital spending decisions made by the BC Transit Board has input from an advisory panel consisting of local government representatives.

- iii) Local governments should provide sufficient notice to BC Transit on service adjustments so that the financial consequences of that decision are appropriately shared between the partners.
- iv) The Province should consult with local governments on provincial public transit policy.
- v) BC Transit should ensure that it engages with and considers the input of local governments and transit operating companies in route planning and scheduling activities.

To be clear, no changes in decision making authority are proposed but improvements in process are required.

#### **Recommendation 6**

Local government should involve BC Transit in key planning issues and invite BC Transit to participate in official community planning processes. Local governments should provide BC Transit with information regarding decisions that may impact public transit including:

- Long term municipal transit budgets;
- Land use planning; and,
- Transportation planning and zoning decisions that will result in developments that will require transit services, or impact the ability to deliver public transit.

These requirements should be outlined in operating agreements between BC Transit and local governments.

### Communications

Inconsistent communication between BC Transit and local government was one of the main themes heard by the Panel during the review process and was one of the more difficult topics for the Panel to assess.

In spite of BC Transit's efforts to improve its relationship with local government the Panel heard a variety of perspectives on the status of communications between BC Transit and local governments. As illustrated in Figure 4<sup>24</sup>, only 42% of the local governments surveyed by the Review Panel felt that there is good communication between BC Transit and local governments. Likewise, local governments felt the quality and timeliness of information received from BC Transit needed improvement (Figure 5)<sup>25</sup>.

Figure 4: Quality of Communications with BC Transit

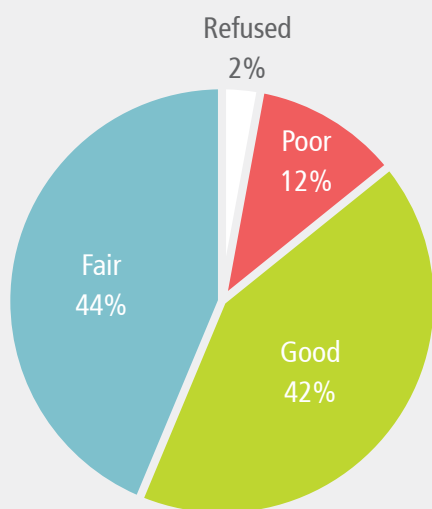
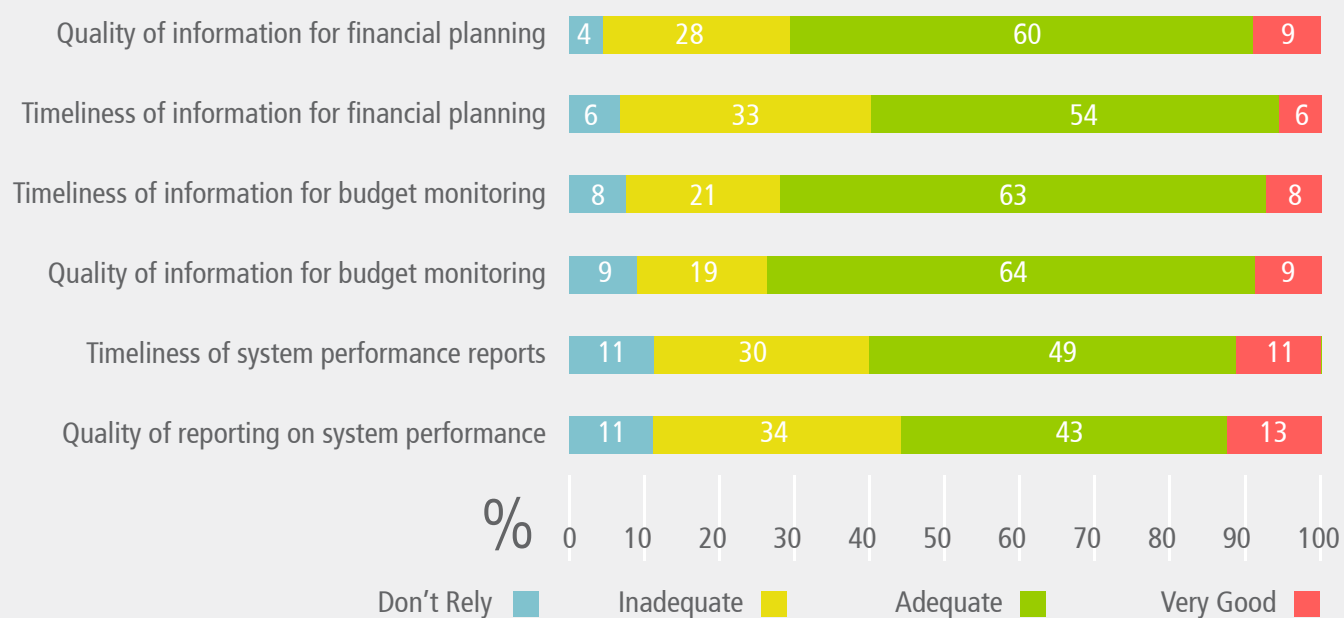


Figure 5: Quality and Timeliness of Information from BC Transit



The Panel found that:

- The capacity of local governments to understand and interpret the information provided to them varied widely;
- Different local governments had different information requirements and while they were receiving information from BC Transit it was perceived as either too much, or not enough;
- Information provided by BC Transit was not always making it past local government staff to local councils; and,
- Local governments had differing expectations on when and how often information should be received.

BC Transit also expressed challenges in communication. For example:

- The Province does not include BC Transit in the early planning stages for major provincial facilities (i.e. the establishment of UBC Okanagan, the University of Northern BC, Fort St. John Hospital or local developments).
- The transportation and transit implications of land use decisions are significant, and local governments do not always include BC Transit in community planning initiatives and, as a result, do not always consider transit when approving major developments.
- Although responsible for transit capital assets, BC Transit is not consulted when local government implement transit projects (such as bus purchase) using the federal gas tax, which results in funding and program confusion. Because they have not been in close communication with BC Transit about these buses, neither BC Transit or local governments are prepared for the cost of bus replacement once the asset's operational life is over.

The panel observed that communications between the Ministry and BC Transit regarding the implementation of the Provincial Transit Plan was ambiguous. The Panel received conflicting views from the Ministry and BC Transit on the role of BC Transit in supporting the Provincial Transit Plan. In addition as noted previously, there does not appear to be any direct communication by the Ministry of Transportation and Infrastructure to local governments on transit issues.

BC Transit should continue to make improvements to its communications processes with local governments. It should jointly work with local government to identify information requirements to help them manage their transit services and maintain accountability to local citizens.

#### **Recommendation 7**

BC Transit should develop a strategic communications plan that includes provincial government, BC Transit and local government strategic goals for transit and share the plan with local governments. The plan should outline key dates and timelines for provincial government, BC Transit and local government decision making processes.

### Recommendation 8

The Ministry of Transportation and Infrastructure should provide BC Transit with clear direction on its role in implementing the Provincial Transit Plan.

Additional recommendations to strengthen communications are found in the following section.

### Operating Agreements

The detailed roles, responsibilities and accountabilities of actually delivering public transit services are contained in a number of agreements between BC Transit, local governments and transit operating companies. While the operating agreements provide a foundation for the provision of the transit service they do not adequately reflect accountabilities between the partners and create an administrative burden that should be addressed including:

#### 1. Accountability

The Panel has made a number of recommendations in this report designed to improve information sharing and communication between local governments and BC Transit that should be included in operating agreements. While operating agreements outline some accountability between the partners, operating agreements do not include agreed upon guidelines and timelines on:

- The involvement of BC Transit in local government planning processes that may impact public transit;
- Sufficient requirements for the provision of financial information including debt servicing costs; and,
- Accountability for the impact of financial decisions that may impact the other partner.

In addition, BC Transit and local governments do not operate on the same fiscal year. In order to ensure financial transparency, BC Transit should provide financial information to local governments based on the local government fiscal year.

#### 2. Multi-Year Agreements

The BC Transit Act and Regulations specify a requirement for Annual Operating Agreements. Multi-year agreements, especially for smaller, stable transit services would reduce administrative effort and provide greater certainty to BC Transit and those communities.

### 3. Fewer Agreements

The number and structure of the various operating agreements required to provide transit services is overly complex and administratively inefficient. BC Transit must currently negotiate a number of separate agreements to provide public transit in a community:

- Transit Service Agreements between BC Transit and local government partners outline general roles and responsibilities and establish the Transit Service Area;
- Annual Operating Agreements set annual budgets and service levels, and must be negotiated annually between BC Transit, local governments and operators, including separate AOAs for conventional and custom transit services.
- Separate Master Operating Agreements are negotiated between BC Transit, local governments and operating companies for conventional and custom transit services, and contain the bulk of the requirements of the operating company in delivering transit services.

For example, the Kelowna Regional Transit system is funded by BC Transit, the City of Kelowna, the District of West Kelowna, the District of Lake Country, the Westbank First Nation and the Central Okanagan Regional District and is operated by FirstCanada ULC. In order to operate this system, BC Transit must have a Transit Service Agreement with each area government (five agreements), a three party AOA with each area government and the operating company, First Canada ULC (up to five agreements for conventional services and up to five agreements for custom services), and every year negotiate an AOA with each area government and First Canada ULC (up to five agreements for conventional services and up to five agreements for custom services) in order to operate one transit system.

The effectiveness of the program would be improved by reducing the number of agreements required by negotiating a single service agreement for all services between BC Transit and each local government. BC Transit would have a separate operating agreement with the transit operating company. Using the Central Okanagan as an example, this change could reduce the number of agreements between BC Transit, area governments and the operating company from twenty five to six.



Service agreements with local government would define routes, service levels, fares and budget expectations. BC Transit would then implement the service directly or through agreements with operating agencies. Benefits include:

- One transit budget for local government: In some locations, several approvals are required because different services are operated by different companies, requiring separate three party agreements. A single service agreement would allow local government to consider all transit services in a coordinated manner.
- Improved administration: The three party requirements (combined with the lack of centralized local government decision-making structures) results in a proliferation of agreements. Separating the service agreements from operating contracts would reduce the administrative burden on BC Transit, local government and transit management companies.
- Clarified roles and responsibilities: The existing three party agreements are confusing with regard to the roles and responsibilities of the respective parties.

### **Recommendation 9**

BC Transit and local governments should enhance accountability in operating agreements. While some roles and responsibilities are contained in existing Master Operating Agreements and Annual Operating Agreements, accountabilities could be strengthened by:

- Establishing information sharing requirements appropriate for all partners in operating agreements, including timelines and dates, performance measures (see Recommendation 13) and local government planning (see Recommendation 6);
- Establishing local government financial accountability for service decisions that result in costs that must be covered by BC Transit (see Recommendation 5);
- Improving transparency by including the provincial share of debt servicing costs; and,
- Committing BC Transit to provide financial information to local governments based on the calendar year.

**Recommendation 10**

The provincial government should amend the BC Transit Act and Regulation to enable multi-year operating agreements.

**Recommendation 11**

The provincial government should amend the BC Transit Act and Regulation to require only one agreement between local governments and BC Transit and one operating agreement between BC Transit and a transit operating company for each transit service area.

**System Performance**

For a transit system to be successful it is important that transit service standards be established and that system performance is monitored. Transit service standards define the level of transit service which will be provided in the community and, as a result, help to define the role of public transit within a community. Typical transit service standards include:

- Universality of access. Identifies the maximum distance any person in a community will be from public transit services (i.e. public transit will be provided within 400 metres of all residences in the community). Regardless of where citizens live and regardless of how often they use the service, this level of access will be provided. In addition, this service standard is often used to address how soon service is provided into developing neighbourhoods.
- Hours of service. Identifies which days of the week, and between what hours of the day public transit is provided.
- Frequency of service. Identifies the minimum service interval (i.e. hourly, every 30 minutes, every 15 minutes, etc.).

These base service standards address the overarching social objective of a public transit system to provide access for all, throughout the community.

Over and above those basic standards, there are usually service standards which address other transit system objectives such as attracting new riders, offering an

alternative to the automobile or contributing to community sustainability and mobility objectives. These standards provide guidance on how and when to increase the amount of transit services by increasing frequency, decreasing walking distances, or decreasing the travel time by public transit, all of which make the service more attractive to new customers.

Service standards have been in place in Prince George for several years and BC Transit will be engaging the Victoria Regional Transit Commission to develop service standards in 2012. In our review, however, we found that few, if any other communities in BC have developed official service standards for their transit system.

The panel encourages BC Transit and its municipal partners to engage in developing service standards for local transit systems such that the service is designed to meet local objectives, and monitored to evaluate the results.

Service standards help a community balance two key objectives – accessibility for all, and increasing ridership. While setting service standards contributes to the design of a transit system that will meet a community's ridership and social objectives, monitoring and reporting out on system performance against the desired service standards helps to determine the success of their public transit system.

BC Transit is accountable to local councils for the efficient and effective operation of local transit systems. Local councils, in turn are accountable to local taxpayers and transit users for their role in the delivery of public transit. In order to demonstrate that accountability, local governments need clear, concise and understandable information on system performance.

Political representatives who need to demonstrate the value of public transit to their citizens have different information needs than local government staff that are responsible for planning and day to day operations of the transit system. The Panel identified seven key performance measures that measured over time will assist local councils to evaluate the effectiveness and efficiency of the local transit system, and recommends that BC Transit regularly provide local government comparisons based on these performance measures with transit systems in other communities:

1. Total annual system ridership, which is a measurement of the success of the service;
2. Cost per capita measures the level of financial commitment to public transit by BC Transit and local government;
3. Passengers per capita demonstrates the success of the transit system in attracting ridership;
4. Service hours per capita demonstrates the amount of service provided in the transit system;
5. Cost per hour demonstrates the efficiency of a transit system in providing services;
6. Cost per rider demonstrates the effectiveness of a transit system in providing services to its target population; and,
7. Revenue to cost ratio illustrates the self-sufficiency and financial performance of the transit system.

BC Transit should be providing this information on an individual community basis to each local council at least on a semi annual basis.

Local government staff who are dealing with the planning and operation of the transit system need more detailed information. For example, detailed route information is required to assess how parts of the public transit system are working, and to allow communities to reallocate service hours to efficiently operate the system. However, the size of the public transit system and capacity of the local government to interpret detailed system information varies widely, so there does not appear to be a single set of information that will work to meet the needs of all local governments.

BC Transit is already moving towards providing local governments with improved performance information. In 2011, BC Transit began providing local governments with Annual Performance Summaries of the local transit systems. While these performance summaries are an improvement, they should be expanded to include the performance measures identified by the Panel. BC Transit should continue this initiative and should continue to work with local governments to fine tune their information needs. Appendix D lists the suggested types and levels of information that local government staff may wish to request from BC Transit in order to monitor their local system's performance. BC Transit should not be expected to produce unique reports for each community but should develop several templates which communities could choose from.

**Recommendation 12**

BC Transit should work with local governments to set appropriate service standards for each transit system and provide annual data on system and route performance.

**Recommendation 13**

BC Transit should provide reports to Councils and Regional District Boards at least twice a year on: system ridership; cost per capita; passengers per capita; service hours per capita; cost per hour; cost per rider; and, revenue cost ratio. BC Transit should also provide each local Council and Board comparisons with peers and performance over time for each of these measures.

**Recommendation 14**

BC Transit should develop, in partnership with local government staff, performance reporting templates which meet local government staff needs. Sample templates are provided for discussion in Appendix D.

**Demonstrate Value for Money**

BC Transit provides a range of shared services that benefit all of the transit systems in the province. The shared services model:

- Pools expertise and capacity in areas such as planning and financial monitoring;
- Provides an opportunity to lower costs through bulk purchase of supplies and assets, such as fuel and vehicles;
- Provides a framework to oversee and invest in transit on a provincial scale;
- Provides efficiencies in contract management for public transit operators; and,
- Manages the distribution of provincial government funding.

BC Transit provides shared services in a number of functional areas: planning and

operations; scheduling; finance; human resources/safety/training/security; marketing and media relations; fleet and facility engineering and services; information technology; environment; procurement; management of the capital program; and, governance. BC Transit indicates that since it is responsible for public transit throughout the province, it achieves economies of scale in fuel and capital purchasing that results in an overall benefit to all of the transit systems. Examples cited by BC Transit include:

- BC Transit estimates that it saves in the neighborhood of 25-30% on fuel costs;
- BC Transit indicated that it achieved a savings of 8-9% on a recent bus purchase due to volume discounts it can achieve versus smaller purchasers.

Under the BC Transit Regulation, BC Transit may charge the local government an amount to cover BC Transit's operating costs not exceeding 8% of the direct operating costs payable under an annual operating agreement.<sup>26</sup>

In 2011, BC Transit engaged KPMG to conduct an independent review of BC Transit's management services cost allocation process. The review found that since 2003/04, BC Transit's shared service costs have grown at 13.7% per annum, a faster rate than the increase in Direct Operating Expenses, which grew at 10.6% per annum. The increase in shared service costs reflects an internal trend towards increasing the range and extent of shared management services.<sup>27</sup>

KPMG also noted that BC Transit's costs for the provision of services outside of the Victoria Regional Transit System were in fact being absorbed by the Victoria system. In an effort to address this inequity, BC Transit began to reallocate costs which have resulted in an increase in shared services charges for systems outside of Greater Victoria.

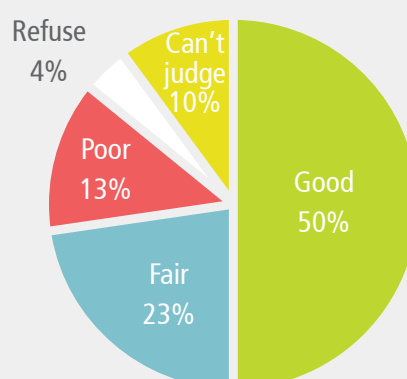
Local governments have expressed concern regarding the rapidly increasing costs of providing transit in their communities. There does not seem to be a common understanding among local governments as to the background on the increase in administrative charges, the reallocation of costs from the Victoria system or the functions covered by the fees.

<sup>26</sup>-British Columbia Transit Regulation (B.C.Reg.30/91) S8 (1) (a) (iv).

<sup>27</sup>-KPMG, BC Transit Management Services Cost Allocation Process, January 17, 2011, p.1.

Only 50% of local governments feel that they receive “value for money” for the services they receive from BC Transit (Figure 6)<sup>28</sup>. Some local governments indicated that they do not receive enough information on shared service costs or capital purchases to demonstrate the “value for money.” This information gap, tied with increased costs, leads to a perception that local government is not receiving sufficient value from the shared services being provided by BC Transit and as a result, many local governments indicated that they have built capacity and/or want to take over some of the planning functions of BC Transit.

Figure 6: Value for Money



One of the issues frequently raised by local governments was BC Transit’s fleet management program. BC Transit has prepared a comprehensive asset management plan for all of its buses. This plan includes basic fleet maintenance programs (such as preventive maintenance, regular inspections, etc.), and identifies all major repairs (such as mid-life refurbishments) and component replacements (transmissions, engines and differentials, referred to as “TEDs”) which should be scheduled during the life of each vehicle. In addition, BC Transit has identified when each vehicle should be removed from service and replaced.

<sup>28</sup>-Dialogue Research. BC Transit Independent Review Panel. Funding Partner Survey – Summary Report and Methods (June 29, 2012) p.15.

BC Transit's asset management plan is one of the foundations of the BC Transit budget.

In the past, BC Transit's asset management practices led to cost "spikes" that were passed on to local governments as a result of fleet maintenance and replacement activities. Under BC Transit's previous asset management strategy, when significant bus maintenance occurred, it was charged to the transit system where the bus was currently located, even if the bus had spent most of its service life in another community. As a result, fleet maintenance costs were not being correctly attributed to the transit system where the majority of the wear and tear on a vehicle had actually occurred.

BC Transit has recognized this problem and introduced the concept of "componentization." Major costs for each new vehicle, including mid-life refurbishments and TEDs are now factored into the capital costs of the vehicle and amortized over the life of the bus. In this way, municipalities should no longer experience significant spikes in their lease fees because of when the maintenance work is conducted.

A challenge with the implementation of the componentization program is that maintenance activities on vehicles purchased before componentization will still result in spikes in costs as the mid-life refurbishments and TEDs are conducted. However, once the TED is replaced, it becomes part of the componentization plan.

The Panel has concluded that the asset management plan of BC Transit follows generally accepted asset management principles. We have further concluded that, over time, the componentization plan will "smooth out" vehicle maintenance expenditures, with less spiking of costs from one year to another.

It is further recognized that BC Transit now includes its major repair and TED plans as part of the three year budget initiative.

However, there is a definite lack of understanding by local government of the BC Transit fleet management plan. Therefore, the Panel has concluded that BC Transit needs to more thoroughly explain their vehicle asset management plan to local government.



**Recommendation 15**

BC Transit should report in detail annually to local government on its administration costs, its fleet management activities and the benefits it provides from centralized purchasing in comparison to other transit systems across Canada.

**Other Issues**

During its review the Panel identified a number of issues either in legislation or practice which contributed to administrative inefficiencies in BC Transit operations. While not directly related to our conclusions above, these inefficiencies ultimately consume financial resources that would be better spent on providing public transit services. The Panel believes these issues should be addressed to support the efficient operation of the public transit system. These include:

**1. Commercial Revenue**

Currently, when BC Transit wishes to pursue a commercial opportunity such as leasing out a maintenance facility to a private bus company it must seek Ministerial approval. This leads to inefficiencies as each opportunity requires an individual assessment and BC Transit's experience is that there is a delayed approval process. As a Crown corporation BC Transit should not be entering into commercial ventures that would result in it directly competing with the private sector. However where there are opportunities to create operational efficiencies and maximize the use of BC Transit facilities commercial ventures may be warranted. In order to simplify the process, the Board of BC Transit should have the authority to authorize commercial revenue activities within a framework established by the Provincial government rather than having each commercial opportunity evaluated by the Minister individually.

**2. Capital Project Approval**

The Provincial government should provide BC Transit its capital funding through the established Service Plan process with output targets. Once established, the Board of BC Transit should have full authority to approve projects within that funding plan. The present process has confused responsibilities and accountability and duplicates effort. This leads to confused communication between BC Transit and local governments.

### 3. Intercity travel

Demand for intercity travel is increasing due to the centralization of health, education and social services while at the same time private service provision is decreasing.

Examples include:

- Cowichan Valley-Victoria;
- Vernon-UBC Okanagan;
- Squamish-Whistler;
- Abbotsford-Mission;
- Cowichan Valley (Ladysmith)-Nanaimo; and,
- Transportation to regional health services.

BC Transit needs a mechanism and the authority to reach multi party agreements for intercity routes.

#### **Recommendation 16:**

The provincial government should provide the Board of BC Transit with the authority to authorize commercial revenue activities within an established framework.

#### **Recommendation 17:**

The provincial government should provide BC Transit its capital funding through the established service plan process with output targets.

#### **Recommendation 18:**

The provincial government should develop a policy framework for intercity routes among multiple jurisdictions and if required amend the BC Transit Act and Regulation to provide for a stable mechanism to implement these routes.

# Victoria Regional Transit Commission

The Victoria Regional Transit Commission is the only regional commission in operation in British Columbia. The Transit Commission was created in 1983 when local government responsibility for the public transit system was moved from the Capital Regional District (CRD) to the Transit Commission in order to improve efficiency of decision making, costs and effectiveness<sup>29</sup>.

The seven member Commission is appointed by the Cabinet, which must select:

- 1) the Mayor of the City of Victoria;
- 2) a Councillor from the City of Victoria;
- 3) the Mayor of the District of Saanich;
- 4) a Councillor from the District of Saanich;
- 5) the Mayor of Esquimalt or Oak Bay;
- 6) one of the Mayor of Sidney; the Mayor of North Saanich; or, the Mayor of Central Saanich;
- 7) one of the Mayor of Colwood; the Mayor of Metchosin; the Mayor of View Royal; the Mayor of Langford; the Mayor of the Highlands; the Mayor of Sooke; or, the electoral area director of the Juan de Fuca electoral area<sup>30</sup>.

Local government responsibilities for the Victoria Regional Transit System are held by the Victoria Regional Transit Commission including approving service plans, routes and local taxation and endorsing capital initiatives to improve transit service. The Commission does not have its own staff, and staff support is provided by BC Transit staff.

<sup>29</sup>-McCarthy (1983, October 20). "Estimates: Ministry of Human Resources." British Columbia. Legislative Assembly. Official Report of the Debates of the Legislative Assembly (Hansard). 33rd Parliament, 1st Session. Retrieved from [http://www.leg.bc.ca/hansard/33rd1st/33p\\_01s\\_831020p.htm#02914](http://www.leg.bc.ca/hansard/33rd1st/33p_01s_831020p.htm#02914).  
<sup>30</sup>-British Columbia Transit Act, 1996 (BC) S25 (1).

As outlined in Table 1 on page 13, the sharing of costs for the funding of the Victoria Regional Transit System is different than for other transit systems. In addition, the Victoria Regional Transit System is the only transit system that is partially funded through a fuel tax, which contributes to the local government share of costs.

While the CRD population has changed significantly since the Commission was created in 1983, the makeup of the Commission as established in legislation has not. One of the concerns expressed by communities on the Westshore<sup>31</sup> is that while population growth in the CRD is focussed in the Westshore, the makeup of the commission favours municipalities in the central core. As outlined in Table 5<sup>32</sup> the population in the Westshore (including Sooke) has increased by almost 19,000 since 1996, while the rest of the region's population has only increased by 8,000. The high growth rate on the Westshore is anticipated to continue with the CRD estimating a doubling of the Westshore population by 2026.<sup>33</sup>

Table 5: Population Increase in the CRD

| Municipality    | 1996    | 2011    | % change (1996-2011) |
|-----------------|---------|---------|----------------------|
| Central Saanich | 15,125  | 15,936  | 5.36%                |
| Colwood         | 14,384  | 16,093  | 11.88%               |
| Esquimalt       | 16,820  | 16,209  | -3.63%               |
| Highlands       | 1,479   | 2,120   | 43.34%               |
| Langford        | 18,206  | 29,228  | 60.54%               |
| Metchosin       | 4,890   | 4,803   | -1.78%               |
| North Saanich   | 10,750  | 11,089  | 3.15%                |
| Oak Bay         | 18,457  | 18,015  | -2.39%               |
| Saanich         | 105,253 | 109,752 | 4.27%                |
| Sidney          | 11,062  | 11,178  | 1.05%                |
| Sooke           | 8,783   | 11,435  | 30.19%               |
| Victoria        | 76,678  | 80,017  | 4.35%                |
| View Royal      | 6,690   | 9,381   | 40.22%               |

31-The Westshore is composed of the communities of Colwood, Langford, View Royal, Metchosin, and the Highlands.

32-BC Development Region, Regional District and Municipal Population Estimates 1996-2006. Demographic Analysis Section, BC Stats, Government of British Columbia. January 2009.

Census 2011 – Population and Housing – Municipalities By Regional District. BC Stats, Government of British Columbia.

33-Population Forecast, 2026, Capital Region. Capital Regional District, Regional Planning Services, March 2001.

Some municipalities in the Greater Victoria area told the Panel that the Victoria Regional Transit Commission does not adequately represent local governments in the CRD. The concerns of the municipal representatives include:

- The Commission has representation from five of the municipalities, yet makes decisions that impact taxation rates in all municipalities;
- Appointments to the Victoria Regional Transit Commission are made by Cabinet, and not the local governments within the CRD;
- Regional planning undertaken by the CRD is not sufficiently integrated with the transit planning undertaken by BC Transit and the Commission; and,
- The Commission has no independent staff or resources to assist members to make the decisions they are asked to make.

The CRD proposed that the responsibilities of the Commission be transferred to the CRD. During discussions with the CRD Board they indicated that they would likely establish a transit committee if responsibility for transit moved to the CRD. In our discussions with local government representatives in the CRD, it was clear that not all local governments fully support the transfer of transit responsibilities to the CRD. Under our terms of reference the Panel was tasked to identify the pros and cons of implementing this request.

The Review Panel has identified the pros and cons of transferring public transit responsibilities to the CRD and compared this option with the pros and cons of remaining with the current governance structure. In addition, the Panel has made recommendations in this report that would result in local governments being responsible for appointments to regional transit commissions. As a result, the Panel has also identified the pros and cons of responsibility remaining with the Victoria Regional Transit Commission, but with members appointed by local governments, and without the membership as prescribed in the current legislation. Under this option the size of the Victoria Regional Transit Commission could be expanded, although the Panel would not recommend a commission larger than 11 members. Both the CRD option and the Panel's revised appointment process would require changes to existing legislation.

The Panel focussed on three main areas in our assessment: governance; service planning; and, decision making. In assessing these areas the panel first identified governance principles and objectives and then compared these to each option. The following table outlines the Panel's conclusions.

## Accountability

Local governments are accountable to the citizens of their communities for the services they provide and the costs of those services. Transit is funded through the imposition of property taxes and elected representatives have an obligation to make informed, transparent decisions when making spending decisions for their communities.

### OPTION 1:

Status quo.  
Governance by the Victoria Regional Transit Commission

#### PRO:

- Long track record of improving transit throughout the service area.
- The Victoria Regional Transit System service area is based on transit service needs.
- **CON:**
  - The Victoria Regional Transit Commission only has representation from five communities, yet determines transit service levels and approves budgets that impact property taxes in all municipalities that receive transit services.
  - The structure of the Victoria Regional Transit Commission as established in legislation does not reflect population growth patterns in the region.

### OPTION 2:

Governance by the Victoria Regional Transit Commission with members appointed by local government

#### PRO:

- Appointments would be selected by local governments in the region to represent their interests.
- The Victoria Regional Transit System service area is based on transit service needs.
- A larger commission would allow better representation from CRD member municipalities.
- **CON:**
  - An 11 member Commission made up of local government nominees would not have direct representation from all local governments.
  - The appointment process by local governments for members would have to be determined.

### OPTION 3:

Governance by the CRD

#### PRO:

- The CRD Board has representation from all local municipalities and the Juan de Fuca electoral area.
- The CRD governance structure provides a weighted representative decision making model that is more representative and equitable than the Commission.
- **CON:**
  - CRD governance model is based on current population whereas transit investment is in part focussed on future population growth.
  - CRD boundaries are not the same as the Victoria Regional Transit System.

In an election year, existing municipal directors may potentially lose their positions. A governance structure should provide the organization with the ability to make efficient and timely decisions even during a time of external or internal change. Continuity of experience and leadership and predictable and orderly transitions are very important attributes of any governing body.

### OPTION 1:

Status quo.  
Governance by the Victoria Regional Transit Commission

#### PRO:

- The Commission is provided with staff support by BC Transit, which means that knowledge on transit issues is maintained throughout the electoral process.

#### CON:

- The smaller number of members on the commission make it more susceptible to electoral losses than the larger CRD Board.
- Replacements are appointed by Cabinet which means the timing of replacements is at the discretion of the provincial government.
- The turnover of a large number of members may result in the new appointments not being fully versed in transit issues, which may result in a longer transition period.

### OPTION 2:

Governance by the Victoria Regional Transit Commission with members appointed by local government

#### PRO:

- As Cabinet would no longer hold authority for appointments, local government would have the opportunity fill vacancies quickly.
- The Commission is provided with staff support by BC Transit, which means that knowledge on transit issues is maintained throughout the electoral process.

#### CON:

- The smaller number of members on the commission make it more susceptible to electoral losses than the larger CRD Board.

### OPTION 3:

Governance by the CRD

#### PRO:

- The CRDs board structure results in a higher number of representatives which reduces the likelihood of an election resulting in wholesale change to its membership.
- The CRD's in house staff support also means that knowledge on transit issues is maintained during transition periods, which should limit the impact of a change in membership.

## Governance

### Strategic Vision

Transit planning is one part of regional transportation and land use planning. Regional transportation and land use decisions should be integrated with transit planning to allow local governments to implement their community vision.

#### OPTION 1:

Status quo.  
Governance by the Victoria Regional Transit Commission

##### CON:

- The Victoria Regional Transit Commission is only responsible for transit planning and setting fares and service levels. There is inadequate communication between the Victoria Regional Transit Commission and CRD on transportation planning.

#### OPTION 2:

Governance by the Victoria Regional Transit Commission with members appointed by local government

##### PRO:

- Local government appointments to the Commission should reflect the strategic priorities of the region, and should help to provide a link between transit planning and regional planning.

##### CON:

- There would be no formal connection between transit planning and transportation (as is the case with the current Commission).

#### OPTION 3:

Governance by the CRD

##### PRO:

- Responsibility for transit planning and regional planning would be hosted within the same organization, which should result in a more integrated approach to regional planning.

### Performance

Once the strategic vision for the region has been set, the governance structure should be able to implement the transit component of that vision. This involves:

- Identifying 5-10 year operating and capital requirements to implement the vision;
- Rolling three year plans to identify routes and rates;
- Approving annual budgets and services plan to implement the three year plan;
- Monitoring performance and outcomes against approved plans and budgets.

#### OPTION 1:

Status quo.  
Governance by the Victoria Regional Transit Commission

##### PRO:

- Staff support provided by BC Transit has the capacity to undertake these functions.

#### OPTION 2:

Governance by the Victoria Regional Transit Commission with members appointed by local government

##### PRO:

- Staff support provided by BC Transit has the capacity to undertake these functions.

#### OPTION 3:

Governance by the CRD

##### CON:

- CRD would have to develop transit expertise.
- CRD has multiple priorities.

## Service Planning



## Participation

The governance structure considers the views of all local governments that will be impacted by a decision. This would include:

- Seeking input into a decision;
- Providing the necessary information to make an informed decision or recommendation;
- Providing the opportunity for feedback and fair consideration of that feedback before making a decision.

### OPTION 1:

Status quo.  
Governance by the Victoria Regional Transit Commission

#### CON:

- The Victoria Regional Transit Commission does not have representation from all local governments in the CRD.
- The current legislative appointment framework may not adequately represent areas that have experienced significant growth since 1983.

### OPTION 2:

Governance by the Victoria Regional Transit Commission with members appointed by local government

#### PRO:

- Because local government selects the appointments to the commission, the Commission should better represent the broader community interests.
- Local governments can select members based on regional priorities (i.e. membership from fast growing communities).

#### CON:

- The Victoria Regional Transit Commission will not have representation from all local governments in the CRD.

### OPTION 3:

Governance by the CRD

#### PRO:

- All local governments in the CRD are represented at CRD table.

## Transparency

Decision making processes are transparent when roles and authorities are clearly defined. It is important that those impacted know the costs, options and implications of a decision. In order to be transparent enough information must be provided to make informed decisions.

### OPTION 1:

Status quo.  
Governance by the Victoria  
Regional Transit Commission

No Difference.

### OPTION 2:

Governance by the Victoria  
Regional Transit Commission  
with members appointed by  
local government

No Difference

### OPTION 3:

Governance by the CRD

No Difference

## Knowledgeable

Informed decision making requires staff support that is knowledgeable and has the expertise required to provide appropriate advice to the transit governance structure.

### OPTION 1:

Status quo.  
Governance by the Victoria  
Regional Transit Commission

#### PRO:

- BC Transit will continue to provide professional staff support to the Commission as required under legislation.

### OPTION 2:

Governance by the Victoria  
Regional Transit Commission  
with members appointed by  
local government

#### PRO:

- If the Panel's Recommendation 4 is adopted there is the option for the commission to appoint its own staff or continue using BC Transit.

### OPTION 3:

Governance by the CRD

#### PRO:

- CRD has some transportation planning staff.

#### CON:

- The CRD would likely need to secure additional resources to provide adequate support.

## Impartiality

Impartial advice is a key component of public sector decision making. The governance structure must have staff to support Commission members to make decisions. Staff must perform, and be perceived to perform, their duties in an impartial manner.

**OPTION 1:**  
Status quo.  
Governance by the Victoria Regional Transit Commission

**OPTION 2:**  
Governance by the Victoria Regional Transit Commission with members appointed by local government

**OPTION 3:**  
Governance by the CRD

**CON:**

- As the operator, BC Transit is providing advice to the commission on the efficiency, effectiveness and performance of its own activities. There is the potential that this advice may not be impartial.

**PRO:**

- If the Panel's Recommendation 4 is adopted there is the option for the commission to appoint its own staff or continue using BC Transit staff.

**PRO:**

- The CRD has existing staff resources which can provide independent advice to the Board on transit issues.

## Effective and Efficient

Effective decision making includes the ability to make decisions to the benefit of the broader region, and to make decisions in a timely way.

**OPTION 1:**  
Status quo.  
Governance by the Victoria Regional Transit Commission

**OPTION 2:**  
Governance by the Victoria Regional Transit Commission with members appointed by local government

**OPTION 3:**  
Governance by the CRD

**PRO:**

- The Victoria Regional Transit Commission has a track record of serving the broader region and timely decision making.

**PRO:**

- This governance structure maintains a small effective and efficient decision making structure.

**PRO:**

- The CRD has demonstrated that its members can reach consensus on key issues.

**CON:**

- There is the potential that reaching consensus on decisions may be more difficult and may not be as timely as with a smaller Commission.

Decision  
Making

## Delivering Performance

Public transit is a service that is subject to consumer choice and many consumers have other transportation options. Decision making needs to focus on increasing ridership, improving performance and running an efficient transit system.

**OPTION 1:**

Status quo.  
Governance by the Victoria  
Regional Transit Commission

**PRO:**

- With responsibility for only one business, the Commission can focus exclusively on transit issues and make timely decisions.

**CON:**

- Some decisions may not take the larger transportation picture into account.

**OPTION 2:**

Governance by the Victoria  
Regional Transit Commission  
with members appointed by  
local government

**PRO:**

- With responsibility for only one business, the Commission can focus exclusively on transit issues and make timely decisions.

**CON:**

- Some decisions may not take the larger transportation picture into account.

**OPTION 3:**

Governance by the CRD

**PRO:**

- CRD has some experience in changing consumer behaviour (i.e. recycling, reducing water use).

**CON:**

- CRD is a monopoly service provider, and public transit operates in a competitive market.
- As transit is one of many issues for which the CRD has responsibility, the ability of the CRD to provide the necessary attention to transit may be impacted.

## Appendix A: Terms of Reference: Independent Review of BC Transit

### Background

BC Transit is a provincial Crown corporation providing public transit services directly and with partners in communities throughout British Columbia outside Metro Vancouver. The corporation's mandate, as set out in the British Columbia Transit Act, is to plan, acquire, construct or cause to be constructed public passenger transportation systems and rail systems that support regional growth strategies, official community plans and the economic development of transit service areas and to provide for the maintenance and operation of those systems. BC Transit is required under the Act to consult with local government within a transit service area about provision of transit services.

Local government partners have raised concerns about aspects of BC Transit operations that affect their communities. On November 2, 2011 the Minister of Transportation and Infrastructure announced an independent review of BC Transit to examine transit system operations and performance, governance, funding and local government consultation and communication processes.

The Minister of Transportation and Infrastructure is appointing a three person panel to undertake the review. The panel will provide its findings and recommendations to the Minister. The Minister will receive the panel recommendations for consideration of any Provincial actions.

### Review Panel

Panel members have been selected for their expertise in transit service planning and operations, local government finance and operations, and senior government program governance, finance and management.

### Timeframe

The panel will report back to the Minister by the end of August 2012.

### Panel Terms Of Reference

The panel will review and evaluate matters through clear problem definitions with supporting evidence, and make recommendations on this basis. The panel will prepare and submit a report to the Minister of Transportation and Infrastructure on the following matters:

- **Operations and Performance** – Examination of the efficiency and effectiveness of transit services provided by BC Transit, including comparisons based on industry-recognized performance measures of operations in the various regions of BC and with transit operations in other reasonably comparable jurisdictions. "Efficiency" includes "value for money".

**Specifically the review will:**

- Identify performance measures to be reviewed – make use of measures already collected and reported for government and industry statistical purposes (e.g. Stats Canada, CUTA) and hence not anticipated to involve new data collection for the purposes of the Review – and then evaluate to identify trends or summary conclusions with respect to:
  - Differences and similarities between regional systems within BC
  - Differences and similarities between regional systems in BC and the rest of Canada
- Where differences are found, consider potential explanations for the differences, including the unique circumstances of particular communities, the scale of operations and other potential factors. The Review Panel may categorize their findings according to the existing BC Transit Tiers 1, 2 3 and Greater Victoria, or suggest some other categorization scheme with reasons for preferring it.
- Identify specific opportunities for improvements to those systems that are not performing as well as other comparable systems.
- **Governance** – Examination of the regulatory framework, structure, processes and policies in place for BC Transit. Governance comprises the steps in the process of planning and delivering services, which bodies participate and their role(s) in each step. This will include but not be limited to the role of regional and local government in the planning, expansion and operation of services.

**Specifically the review will:**

- Document the current governance framework as defined in legislation, regulation, annual operating agreements and other documents.

- Define the specific roles and responsibilities of BC Transit, local government and the Province within the current governance framework.
- Identify the strengths and weaknesses of the framework and opportunities for improvement.
- Describe the different local governance structures that partner with BC Transit to administer a transit system.
- Identify the strengths and weaknesses of the different structures.
- Examine the role of all parties in ensuring affordability of decisions, that is, that responsibility and accountability for decisions are matched to fiscal capability and accountability of the bodies that must pay the costs that result.
- The Capital Regional District has requested that they perform the functions of the Victoria Regional Transit Commission. Identify the pros and cons of implementing this request.
- **Funding Relationship** – Examination of the processes for capital planning, budgeting and operating expenditures within BC Transit and local governments by which funding available for transit services is allocated, priorities set, charges imposed and expenditures monitored. This will include a review of the timing for information gathering and exchange within the annual and multi-year planning and budgeting processes, development and communication of financial estimates and the confirmation of commitments and tracking of expenditures. For clarity, the focus of this section is on the funding relationship. The Province and local government agree that the Independent Review will not consider issues and provide recommendations that have the potential to lead to increases in funding to, or change the funding formula for, BC Transit.

#### Specifically the review will:

- Identify how transit is funded in BC (outside of Metro Vancouver), and compare to other jurisdictions across Canada.
- Document how operating and capital grants from the Province to BC Transit

are allocated by BC Transit and what changes could be made to the process to improve transit performance.

- Identify what factors drive the cost of transit.
- Examine how expenditure and funding decisions are made by BC Transit. (For example, management fees, debt service and maintenance costs, allocation of service hours and vehicles, etc.)
- Within the existing framework, identify where improvements can be made to the expenditure and funding decision process.
- **Consultation and Communication processes** – Examination of the communications and consultation processes in place between BC Transit and local governments in the context of the relative roles and responsibilities of each in regard to providing safe, effective and affordable solutions to meet identified transit needs in communities of all sizes and in all regions of BC.

**Specifically the review will:**

- Document the consultation and communication processes used by BC Transit to engage local government.
- Document local government information requirements to support decision making on transit matters.
- Given the specific roles and responsibilities of BC Transit (including the requirement to consult with local government under the Act), local governments and the Province, advise on whether the timeliness, level and quality of the consultation and communication is appropriate.
- Within the existing framework, identify specific opportunities where improvements can be made.



**The following is out of scope for the review:**

- Increases of provincial or local government funding to the BC Transit system, changes to the funding formulae found in the BC Transit Act and/or consideration of new or extended sources of funding for transit.
- The status of BC Transit as a provincial Crown corporation.
- The creation of regional transportation authorities.
- Issues related to transportation aside from public transit.
- Any transit issue within the TransLink service area.

**The Panel will:**

- Meet with and seek input from local government representatives within the BC Transit service area from all 3 Tiers and Greater Victoria for the purposes of arriving at their recommendations.
- Consult with staff from local government, BC Transit or Ministry of Transportation and Infrastructure to validate factual findings and/or seek comments on proposed recommendations, but the findings and recommendations will be those of the reviewer(s) alone and not subject to change or veto by any other party prior to being submitted to the Minister.
- Make use of a common information base including but not limited to previous reviews of governance and performance, industry comparative studies (e.g. CUTA), and local government and BC Transit financial and operating information.
- Operate in a manner that encourages open and frank discussion, and ensures that materials, comments, perspectives and opinions provided to the Panel are treated confidentially and used only for the purposes of the Review.

- Focus primarily on recommendations that can be actioned within existing legislation. Categorize recommendations that can be accomplished within existing legislation and those that require legislative change.
- Make recommendations based on consensus of the reviewers. The internal discussions of the reviewers on how consensus was achieved will not be published in the Review report or released at a later date.
- Be accountable to and report to the Minister. The panel's recommendations should focus on defining the outcomes to be achieved. The Minister will determine the appropriate Provincial actions to be taken and the method of implementation.

The panel will submit a final report to the Minister of Transportation and Infrastructure by August 31, 2012.

**The Ministry of Transportation and Infrastructure will:**

- Provide the panel with financial and organizational support, including project management and technical expertise and/or contract management for external resources with specific expertise; and
- Provide the panel with relevant background material.

# APPENDIX B: 2010 OPERATIONS AND PERFORMANCE REVIEW<sup>34</sup>

The following tables compare the performance of transit systems in British Columbia to their peers across Canada. Their peers are transit systems serving municipal areas of approximately the same population, and of similar system design.

Following are the key performance indicators on the tables (some of which are only recorded for Victoria):

**Total Operating Revenues/Total Direct Operating Expenses (R/C Ratio)** – measures the amount of the direct operating costs (defined as operating costs less any debt servicing) covered by revenues. Typically, the larger the system, the higher the R/C. For systems in BC, an R/C ratio in the range of 30-35% would be considered average.

**Municipal Operating Contribution/Capita** – measures the amount of funding (typically property taxes) provided by the municipality for transit.

**Municipal Operating Contribution/Total Operating Expenses** - measures the percentage of total operating expenses (including debt servicing) covered by the municipality for transit.

**Provincial Operating Contribution/Total Operating Expenses** - measures the percentage of total operating expenses (including debt servicing) covered by the provincial government for transit.

**Regular Service Passenger Revenue/Regular Service Passenger** – measures the fare that the average passenger pays to ride the system. Typically, the lower the average fare, the lower the basic adult fare and/or the level of concession fares to specific groups such as seniors, students and children.

**Total Direct Operating Expenses/Regular Service Passengers** – measures the cost per passenger. The lower the cost per passenger, the more effective the transit system.

**Total Direct Operating Expenses/Revenue Vehicle Hour** – measures the hourly cost to provide transit service. The lower the cost per hour, the more efficient the service.

**Regular Service Passengers/capita** – measures total ridership divided by population. Typically, the larger the system, the larger the riders per capita. Transit systems in the 60,000 to 150,000 population range typically experience 30 to 35 rides per capita.

**Regular Service Passengers/Revenue Vehicle Hour** – measures the number of rides per hour of service. The higher the rides/hour, the more effective the transit system.

**Regular Vehicle Hours/capita** – measures the amount of transit service provided in the community. The higher the hours/capita, the more the amount of service provided.

**Regular and Auxiliary Revenue Hours/Operator Paid Hour** – measures the percentage of total hours per operator paid hour. The higher the hours of service per operator paid hour, the more efficient the operation of the transit system.

<sup>34</sup>-Based on data from the Canadian Transit Fact Book, 2010 Operating Data, published by the Canadian Urban Transit Association.

## Victoria

|                                   | Victoria   | Average Peers | Halifax (Bus Only) | London     | Saskatoon  | Windsor   | Grand River (Kitchener) |
|-----------------------------------|------------|---------------|--------------------|------------|------------|-----------|-------------------------|
| Population                        | 356,200    | 308,443       | 312,400            | 362,200    | 224,300    | 219,345   | 423,971                 |
| Ridership                         | 24,848,830 | 15,224,436    | 19,055,407         | 21,204,220 | 11,708,270 | 6,099,345 | 18,054,938              |
| Revenue Vehicle Hours             | 801,971    | 481,497       | 692,979            | 537,436    | 372,751    | 254,391   | 549,928                 |
| Revenue Vehicle Kms               | 16,843,011 | 9,495,119     | 13,753,377         | 10,724,389 | 6,679,705  | 4,986,102 | 11,332,020              |
| Number of Buses                   | 285        | 195           | 308                | 191        | 152        | 104       | 218                     |
| Average Age of Buses              | 7.2        | 9.0           | 6.6                | 6.6        | 12.2       | 11.4      | 8.2                     |
| Peak Buses Required               | 197        | 146           | 221                | 152        | 105        | 85        | 165                     |
| Number of Operators (FTE's)       | 537.5      | 322.8         | 481.0              | 344.5      | 226.0      | 165.0     | 397.5                   |
| Number of Mechanics (FTE's)       | 38         | 38            | 64                 | 49         | 13         | 17        | 48                      |
| Operators Paid Hours              | 1,071,498  | 703,584       | 1,000,480          | 702,058    | 590,000    | 341,716   | 883,665                 |
| Vehicle Mechanics Paid Hours      | 89,104     | 85,160        | 133,120            | 117,810    | 34,808     | 34,029    | 106,031                 |
| Other Employee Hours              | 511,017    | 219,434       | 324,480            | 208,244    | 180,595    | 126,717   | 257,135                 |
| Total Employee Paid Hours         | 1,671,619  | 1,008,178     | 1,458,080          | 1,028,112  | 805,403    | 502,462   | 1,246,831               |
| Other/Total Employee Hours        | 30.6%      | 21.8%         | 22.3%              | 20.3%      | 22.4%      | 25.2%     | 20.6%                   |
| Other/Total Revenue Vehicle Hours | 0.64       | 0.46          | 0.47               | 0.39       | 0.48       | 0.50      | 0.47                    |

### OPERATIONS EXPENDITURES/REVENUES

|                                    |              |              |              |              |              |              |              |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Transportation Operations Expenses | \$43,213,983 | \$26,092,373 | \$36,987,031 | \$27,233,486 | 16,766,800   | \$14,821,613 | \$34,652,935 |
| Fuel/Energy Exp. for Vehicles      | \$8,814,469  | \$5,326,664  | \$7,983,100  | \$5,670,482  | \$3,777,897  | \$2,585,919  | \$6,615,920  |
| Vehicle Maintenance Expenses       | \$13,204,679 | \$9,358,000  | \$16,129,709 | \$10,279,397 | \$4,367,100  | \$4,295,073  | \$11,718,721 |
| Plant Maintenance Expenses         | \$1,923,843  | \$1,841,513  | \$1,043,100  | \$2,320,096  | \$1,269,375  | \$1,069,671  | \$3,505,323  |
| General/Administration Expenses    | \$7,366,945  | \$3,250,019  | \$3,282,660  | \$3,812,761  | \$2,515,187  | \$2,120,426  | \$4,519,063  |
| Total Direct Operations Expenses   | \$74,523,919 | \$45,868,569 | \$65,425,600 | \$49,316,222 | \$28,696,359 | \$24,892,702 | \$61,011,962 |
| Debt Service Payment               | \$15,551,507 | \$1,238,727  | \$1,206,900  | \$0          | \$154,558    | \$701,797    | \$4,130,379  |
| Total Operating Expenses           | \$90,701,086 | \$47,919,350 | \$66,632,500 | \$51,289,315 | \$30,600,917 | \$25,908,206 | \$65,165,814 |
| Passenger Revenues                 | \$34,443,182 | \$20,374,623 | \$30,857,544 | \$27,960,278 | \$10,253,806 | \$10,726,248 | \$22,075,241 |
| Total Operating Revenues           | \$34,983,182 | \$21,304,806 | \$31,526,844 | \$28,693,249 | \$11,588,080 | \$11,802,409 | \$22,913,446 |
| Total Revenues                     | \$34,983,182 | \$21,508,178 | \$31,637,244 | \$29,352,807 | \$11,588,080 | \$11,802,409 | \$23,160,348 |

### CONTRIBUTING TO REVENUES

|                                      |              |                |              |              |              |              |              |
|--------------------------------------|--------------|----------------|--------------|--------------|--------------|--------------|--------------|
| Federal Operating Contribution       |              |                |              |              |              |              |              |
| Provincial Operating Contribution    | \$23,822,416 | \$3,526,988    | \$0          | \$2,472,984  | \$656,860    | \$2,712,000  | \$8,266,108  |
| Municipal Operating Contribution     | \$20,676,202 | \$22,399,942   | \$34,995,256 | \$18,327,700 | \$17,754,000 | \$11,393,777 | \$29,528,979 |
| Other Operating Contributions        |              | \$607,912      |              | \$1,135,824  | \$601,976    |              | \$80,000     |
| Provincial Debt Service Contribution | \$4,929,828  | \$0            |              | \$0          |              | \$0          |              |
| Municipal Debt Service Contribution  | \$6,289,458  | Not meaningful | \$5,121,800  | \$0          |              | \$0          | \$4,130,379  |

## Victoria, Cont.

### PERFORMANCE INDICATORS 2010

|                                                    | Victoria | Average Peers | Halifax (Bus Only) | London | Saskatoon | Windsor | Grand River (Kitchener) |
|----------------------------------------------------|----------|---------------|--------------------|--------|-----------|---------|-------------------------|
| Tot. Oper. Rev. / Tot. Dir. Oper. Exp. (R/C Ratio) | 46.9%    | 46.3%         | 48.2%              | 58.2%  | 40.4%     | 47.4%   | 37.6%                   |

### FINANCIAL

|                                                  |         |         |          |         |         |         |         |
|--------------------------------------------------|---------|---------|----------|---------|---------|---------|---------|
| Municipal Operating Contribution / Capita        | \$58.05 | \$72.67 | \$112.02 | \$50.60 | \$79.15 | \$51.94 | \$69.65 |
| Municipal Operating Contribution / Tot. Op. Exp. | 22.8%   | 47.1%   | 52.5%    | 35.7%   | 58.0%   | 44.0%   | 45.3%   |
| Provincial Operating Contribution/ Tot. Op. Exp. | 31.7%   | 6.0%    | 0.0%     | 4.8%    | 2.1%    | 10.5%   | 12.7%   |
| Passenger Contribution/Tot. Op. Exp.             | 38.0%   | 41.9%   | 46.3%    | 54.5%   | 33.5%   | 41.4%   | 33.9%   |

### AVERAGE FARE

|                                          |        |        |        |        |        |        |        |
|------------------------------------------|--------|--------|--------|--------|--------|--------|--------|
| Reg. Serv. Pass. Rev. / Reg. Serv. Pass. | \$1.39 | \$1.36 | \$1.62 | \$1.32 | \$0.88 | \$1.76 | \$1.22 |
|------------------------------------------|--------|--------|--------|--------|--------|--------|--------|

### COST EFFECTIVENESS

|                                         |        |        |        |        |        |        |        |
|-----------------------------------------|--------|--------|--------|--------|--------|--------|--------|
| Tot. Dir. Oper. Exp. / Reg. Serv. Pass. | \$3.00 | \$3.13 | \$3.43 | \$2.33 | \$2.45 | \$4.08 | \$3.38 |
|-----------------------------------------|--------|--------|--------|--------|--------|--------|--------|

### COST EFFICIENCY

|                                            |         |         |         |         |         |         |          |
|--------------------------------------------|---------|---------|---------|---------|---------|---------|----------|
| Tot. Dir. Oper. Exp. / Rev. Veh. Hr.       | \$92.93 | \$94.39 | \$94.41 | \$91.76 | \$76.99 | \$97.85 | \$110.95 |
| Fuel/Energy Exp. for Vehicles/Rev. Veh. Km | \$0.52  | \$0.56  | \$0.58  | \$0.53  | \$0.57  | \$0.52  | \$0.58   |

### SERVICE UTILIZATION

|                                  |      |      |      |      |      |      |      |
|----------------------------------|------|------|------|------|------|------|------|
| Reg. Serv. Pass. / Capita        | 69.8 | 48.4 | 61.0 | 58.5 | 52.2 | 27.8 | 42.6 |
| Reg. Serv. Pass. / Rev. Veh. Hr. | 31.0 | 31.0 | 27.5 | 39.5 | 31.4 | 24.0 | 32.8 |
| Reg. Serv. Pass/Rev. Veh. Km.    | 1.48 | 1.59 | 1.39 | 1.98 | 1.75 | 1.22 | 1.59 |

### AMOUNT OF SERVICE

|                         |      |      |      |      |      |      |      |
|-------------------------|------|------|------|------|------|------|------|
| Rev. Veh. Hrs. / Capita | 2.25 | 1.56 | 2.22 | 1.48 | 1.66 | 1.16 | 1.30 |
|-------------------------|------|------|------|------|------|------|------|

### LABOUR PRODUCTIVITY

|                                             |      |      |      |      |      |      |      |
|---------------------------------------------|------|------|------|------|------|------|------|
| Rev. & Aux. Rev. Veh. Hrs. / Oper. Paid Hr. | 0.75 | 0.69 | 0.69 | 0.77 | 0.63 | 0.74 | 0.62 |
|---------------------------------------------|------|------|------|------|------|------|------|

### TOP WAGE RATES

|           |         |         |         |         |         |         |         |
|-----------|---------|---------|---------|---------|---------|---------|---------|
| Operators | \$26.14 | \$24.47 | \$24.00 | \$24.25 | \$22.26 | \$25.62 | \$26.24 |
| Mechanics | \$31.42 | \$29.42 | \$27.99 | \$28.17 | \$31.20 | \$29.42 | \$30.31 |

## Systems Serving Populations Exceeding 60,000 | BC

|                                         | Nanaimo      | Prince George | Central Fraser | Kamloops     | Kelowna      | Average BC Systems | Average All Peers |
|-----------------------------------------|--------------|---------------|----------------|--------------|--------------|--------------------|-------------------|
| <b>Population</b>                       | 98,500       | 60,100        | 124,700        | 76,000       | 125,300      | 96,920             | 110,008           |
| <b>Ridership</b>                        | 2,615,387    | 1,943,921     | 2,341,596      | 3,469,666    | 4,763,139    | 3,026,742          | 3,204,411         |
| <b>Revenue Vehicle Hours</b>            | 101,733      | 63,547        | 95,848         | 99,913       | 177,358      | 107,680            | 132,164           |
| <b>Number of Buses</b>                  | 42           | 27            | 39             | 46           | 73           | 45                 | 48                |
| <b>Average Age of Buses</b>             | 11.2         | 4.7           | 9.1            | 10.6         | 7.9          | 8.7                | 8.3               |
| <b>Total Direct Operations Expenses</b> | \$8,870,352  | \$5,622,880   | \$7,835,691    | \$8,927,464  | \$15,643,504 | \$9,379,978        | \$11,733,462      |
| <b>Debt Service Payment</b>             | \$1,790,717  | \$1,025,216   | \$1,853,866    | \$1,806,465  | \$3,620,083  | \$2,019,269        | \$718,399         |
| <b>Total Operating Expenses</b>         | \$10,661,069 | \$6,648,096   | \$9,689,557    | \$10,733,929 | \$19,263,587 | \$11,399,248       | \$12,612,552      |
| <b>Passenger Revenues</b>               | \$3,617,797  | \$1,840,283   | \$2,547,432    | \$3,410,275  | \$4,973,501  | \$3,277,858        | \$4,550,549       |
| <b>Total Operating Revenues</b>         | \$3,666,848  | \$1,851,287   | \$2,584,261    | \$3,441,133  | \$5,075,501  | \$3,323,806        | \$4,824,853       |
| <b>Total Revenues</b>                   | \$3,666,848  | \$1,851,287   | \$2,584,261    | \$3,441,133  | \$5,075,501  | \$3,323,806        | \$4,985,336       |

## CONTRIBUTING TO REVENUES

|                                             |             |             |             |             |             |             |             |
|---------------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Provincial Operating Contribution</b>    | \$3,731,632 | \$2,625,333 | \$3,632,360 | \$4,168,244 | \$7,303,952 | \$4,292,304 | \$1,453,318 |
| <b>Municipal Operating Contribution</b>     | \$1,471,871 | \$1,146,260 | \$1,619,070 | \$1,318,087 | \$3,264,052 | \$1,763,868 | \$6,659,852 |
| <b>Provincial Debt Service Contribution</b> | \$836,086   | \$478,673   | \$865,570   | \$843,438   | \$1,690,217 | \$942,797   |             |
| <b>Municipal Debt Service Contribution</b>  | \$954,631   | \$546,542   | \$988,296   | \$963,026   | \$1,929,866 | \$1,076,472 |             |

## PERFORMANCE INDICATORS 2010

|                                                           |         |         |         |         |         |         |         |
|-----------------------------------------------------------|---------|---------|---------|---------|---------|---------|---------|
| <b>Tot. Oper. Rev. / Tot. Dir. Oper. Exp. (R/C Ratio)</b> | 0.41    | 0.33    | 0.33    | 0.38    | 0.32    | 35.2%   | 40.4%   |
| <b>FINANCIAL</b>                                          |         |         |         |         |         |         |         |
| <b>Municipal Operating Contribution / Capita</b>          | \$14.94 | \$19.07 | \$12.98 | \$17.34 | \$26.05 | \$18.08 | \$61.93 |
| <b>AVERAGE FARE</b>                                       |         |         |         |         |         |         |         |
| <b>Reg. Serv. Pass. Rev. / Reg. Serv. Pass.</b>           | \$1.38  | \$0.95  | \$1.09  | \$0.98  | \$1.04  | \$1.09  | \$1.44  |
| <b>COST EFFECTIVENESS</b>                                 |         |         |         |         |         |         |         |
| <b>Tot. Dir. Oper. Exp. / Reg. Serv. Pass.</b>            | \$3.39  | \$2.89  | \$3.35  | \$2.57  | \$3.28  | \$3.10  | \$3.92  |
| <b>COST EFFICIENCY</b>                                    |         |         |         |         |         |         |         |
| <b>Tot. Dir. Oper. Exp. / Rev. Veh. Hr.</b>               | \$87.19 | \$88.48 | \$81.75 | \$89.35 | \$88.20 | \$87.00 | \$90.58 |
| <b>SERVICE UTILIZATION</b>                                |         |         |         |         |         |         |         |
| <b>Reg. Serv. Pass. / Capita</b>                          | 26.6    | 32.3    | 18.8    | 45.7    | 38.0    | 32.3    | 29.2    |
| <b>Reg. Serv. Pass. / Rev. Veh. Hr.</b>                   | 25.7    | 30.6    | 24.4    | 34.7    | 26.9    | 28.5    | 23.9    |
| <b>AMOUNT OF SERVICE</b>                                  |         |         |         |         |         |         |         |
| <b>Rev. Veh. Hrs. / Capita</b>                            | 1.03    | 1.06    | 0.77    | 1.31    | 1.42    | 1.12    | 1.21    |

## Systems Serving Populations Exceeding 60,000 | AB, NB, NF, ON

|                                         | Lethbridge<br>AB | Red Deer<br>AB | Codiac<br>Moncton NB | Saint John<br>NB | St. John's<br>NF | Barrie<br>ON | Brantford<br>ON |
|-----------------------------------------|------------------|----------------|----------------------|------------------|------------------|--------------|-----------------|
| <b>Population</b>                       | 87,882           | 90,084         | 120,525              | 122,389          | 127,250          | 126,900      | 94,493          |
| <b>Ridership</b>                        | 2,252,616        | 3,626,937      | 2,400,418            | 2,683,305        | 2,250,569        | 2,531,337    | 1,417,977       |
| <b>Revenue Vehicle Hours</b>            | 115,414          | 143,978        | 106,888              | 119,457          | 105,833          | 143,115      | 73,156          |
| <b>Number of Buses</b>                  | 43               | 50             | 35                   | 60               | 52               | 40           | 30              |
| <b>Average Age of Buses</b>             | 8.2              | 7.8            | 11.3                 | 11.9             | 13.8             | 6.5          | 3.7             |
| <b>Total Direct Operations Expenses</b> | \$9,540,922      | \$12,536,082   | \$7,580,765          | \$9,741,170      | \$12,594,269     | \$11,375,429 | \$9,200,118     |
| <b>Debt Service Payment</b>             |                  |                | \$705,094            | \$1,305,172      | \$81,887         |              |                 |
| <b>Total Operating Expenses</b>         | \$9,540,922      | \$14,919,978   | \$8,285,859          | \$11,315,354     | \$13,827,427     | \$11,375,429 | \$9,200,118     |
| <b>Passenger Revenues</b>               | \$2,519,178      | \$4,039,106    | \$2,341,686          | \$4,590,749      | \$4,428,107      | \$4,936,516  | \$2,379,335     |
| <b>Total Operating Revenues</b>         | \$3,078,587      | \$4,196,869    | \$2,475,831          | \$5,018,974      | \$4,719,346      | \$5,183,966  | \$3,118,941     |
| <b>Total Revenues</b>                   | \$3,078,587      | \$4,196,869    | \$2,475,831          | \$5,099,518      | \$5,658,681      | \$5,183,966  | \$3,213,744     |

### CONTRIBUTING TO REVENUES

|                                             |             |              |             |             |             |             |             |
|---------------------------------------------|-------------|--------------|-------------|-------------|-------------|-------------|-------------|
| <b>Provincial Operating Contribution</b>    |             |              |             |             |             | \$939,682   | \$787,333   |
| <b>Municipal Operating Contribution</b>     | \$6,462,335 | \$10,723,109 | \$5,810,028 | \$4,910,664 | \$6,854,246 | \$5,251,781 | \$5,199,041 |
| <b>Provincial Debt Service Contribution</b> |             |              |             |             |             |             |             |
| <b>Municipal Debt Service Contribution</b>  |             |              |             | \$1,305,172 | \$1,314,500 |             |             |

### PERFORMANCE INDICATORS 2010

|                                                           |       |       |       |       |       |       |       |
|-----------------------------------------------------------|-------|-------|-------|-------|-------|-------|-------|
| <b>Tot. Oper. Rev. / Tot. Dir. Oper. Exp. (R/C Ratio)</b> | 32.3% | 33.5% | 32.7% | 51.5% | 37.5% | 45.6% | 33.9% |
|-----------------------------------------------------------|-------|-------|-------|-------|-------|-------|-------|

### FINANCIAL

|                                                  |         |          |         |         |         |         |         |
|--------------------------------------------------|---------|----------|---------|---------|---------|---------|---------|
| <b>Municipal Operating Contribution / Capita</b> | \$73.53 | \$119.03 | \$48.21 | \$40.12 | \$53.86 | \$41.39 | \$55.02 |
|--------------------------------------------------|---------|----------|---------|---------|---------|---------|---------|

### AVERAGE FARE

|                                                 |        |        |        |        |        |        |        |
|-------------------------------------------------|--------|--------|--------|--------|--------|--------|--------|
| <b>Reg. Serv. Pass. Rev. / Reg. Serv. Pass.</b> | \$1.12 | \$1.11 | \$0.98 | \$1.71 | \$1.97 | \$1.95 | \$1.68 |
|-------------------------------------------------|--------|--------|--------|--------|--------|--------|--------|

### COST EFFECTIVENESS

|                                                |        |        |        |        |        |        |        |
|------------------------------------------------|--------|--------|--------|--------|--------|--------|--------|
| <b>Tot. Dir. Oper. Exp. / Reg. Serv. Pass.</b> | \$4.24 | \$3.46 | \$3.16 | \$3.63 | \$5.60 | \$4.49 | \$6.49 |
|------------------------------------------------|--------|--------|--------|--------|--------|--------|--------|

### COST EFFICIENCY

|                                             |         |         |         |         |          |         |          |
|---------------------------------------------|---------|---------|---------|---------|----------|---------|----------|
| <b>Tot. Dir. Oper. Exp. / Rev. Veh. Hr.</b> | \$82.67 | \$87.07 | \$70.92 | \$81.55 | \$119.00 | \$79.48 | \$125.76 |
|---------------------------------------------|---------|---------|---------|---------|----------|---------|----------|

### SERVICE UTILIZATION

|                                         |      |      |      |      |      |      |      |
|-----------------------------------------|------|------|------|------|------|------|------|
| <b>Reg. Serv. Pass. / Capita</b>        | 25.6 | 40.3 | 19.9 | 21.9 | 17.7 | 19.9 | 15.0 |
| <b>Reg. Serv. Pass. / Rev. Veh. Hr.</b> | 19.5 | 25.2 | 22.5 | 22.5 | 21.3 | 17.7 | 19.4 |

### AMOUNT OF SERVICE

|                                |      |      |      |      |      |      |      |
|--------------------------------|------|------|------|------|------|------|------|
| <b>Rev. Veh. Hrs. / Capita</b> | 1.31 | 1.60 | 0.89 | 0.98 | 0.83 | 1.13 | 0.77 |
|--------------------------------|------|------|------|------|------|------|------|

## Systems Serving Populations Exceeding 60,000 | Ontario

|                                         | Guelph<br>ON | Kingston<br>ON | Peterborough<br>ON | Sault<br>St. Marie<br>ON | St. Catharines<br>ON | Sudbury<br>ON | Thunder Bay<br>ON |
|-----------------------------------------|--------------|----------------|--------------------|--------------------------|----------------------|---------------|-------------------|
| <b>Population</b>                       | 120,000      | 112,088        | 80,000             | 69,900                   | 150,000              | 129,600       | 109,000           |
| <b>Ridership</b>                        | 6,158,245    | 3,478,610      | 3,033,700          | 1,962,881                | 5,334,220            | 4,265,928     | 3,465,012         |
| <b>Revenue Vehicle Hours</b>            | 241,964      | 150,622        | 103,800            | 83,063                   | 150,687              | 161,292       | 151,025           |
| <b>Number of Buses</b>                  | 65           | 51             | 49                 | 30                       | 63                   | 60            | 49                |
| <b>Average Age of Buses</b>             | 4.4          | 5.3            | 9.7                | 14.4                     | 5.5                  | 6.2           | 7.7               |
| <b>Total Direct Operations Expenses</b> | \$18,844,669 | \$12,067,813   | \$8,304,611        | \$7,933,546              | \$13,661,336         | \$16,527,330  | \$14,360,408      |
| <b>Debt Service Payment</b>             |              | \$144,931      |                    |                          |                      |               |                   |
| <b>Total Operating Expenses</b>         | \$23,664,089 | \$13,633,884   | \$8,330,052        | \$7,933,546              | \$13,661,336         | \$16,527,330  | \$14,360,408      |
| <b>Passenger Revenues</b>               | \$8,377,880  | \$5,152,002    | \$4,040,792        | \$2,151,356              | \$7,426,786          | \$6,448,910   | \$4,875,279       |
| <b>Total Operating Revenues</b>         | \$8,994,837  | \$5,193,667    | \$4,096,837        | \$2,222,812              | \$7,667,474          | \$6,614,659   | \$4,965,137       |
| <b>Total Revenues</b>                   | \$8,994,837  | \$5,651,930    | \$4,096,837        | \$2,222,812              | \$8,245,517          | \$6,709,562   | \$4,966,017       |

### CONTRIBUTING TO REVENUES

|                                             |              |             |             |             |             |             |             |
|---------------------------------------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Provincial Operating Contribution</b>    | \$2,314,538  | \$1,690,250 | \$1,421,330 | \$1,207,099 |             | \$1,812,992 | \$750,200   |
| <b>Municipal Operating Contribution</b>     | \$12,354,714 | \$6,291,704 | \$2,811,885 | \$4,503,635 | \$5,415,818 | \$8,004,776 | \$8,644,191 |
| <b>Provincial Debt Service Contribution</b> |              |             |             |             |             |             |             |
| <b>Municipal Debt Service Contribution</b>  |              |             |             |             |             |             |             |

### PERFORMANCE INDICATORS 2010

|                                                           |       |       |       |       |       |       |       |
|-----------------------------------------------------------|-------|-------|-------|-------|-------|-------|-------|
| <b>Tot. Oper. Rev. / Tot. Dir. Oper. Exp. (R/C Ratio)</b> | 47.7% | 43.0% | 49.3% | 28.0% | 56.1% | 40.0% | 34.6% |
|-----------------------------------------------------------|-------|-------|-------|-------|-------|-------|-------|

### FINANCIAL

|                                                  |          |         |         |         |         |         |         |
|--------------------------------------------------|----------|---------|---------|---------|---------|---------|---------|
| <b>Municipal Operating Contribution / Capita</b> | \$102.96 | \$56.13 | \$35.15 | \$64.43 | \$36.11 | \$61.77 | \$79.30 |
|--------------------------------------------------|----------|---------|---------|---------|---------|---------|---------|

### AVERAGE FARE

|                                                 |        |        |        |        |        |        |        |
|-------------------------------------------------|--------|--------|--------|--------|--------|--------|--------|
| <b>Reg. Serv. Pass. Rev. / Reg. Serv. Pass.</b> | \$1.36 | \$1.48 | \$1.33 | \$1.10 | \$1.39 | \$1.51 | \$1.41 |
|-------------------------------------------------|--------|--------|--------|--------|--------|--------|--------|

### COST EFFECTIVENESS

|                                                |        |        |        |        |        |        |        |
|------------------------------------------------|--------|--------|--------|--------|--------|--------|--------|
| <b>Tot. Dir. Oper. Exp. / Reg. Serv. Pass.</b> | \$3.06 | \$3.47 | \$2.74 | \$4.04 | \$2.56 | \$3.87 | \$4.14 |
|------------------------------------------------|--------|--------|--------|--------|--------|--------|--------|

### COST EFFICIENCY

|                                             |         |         |         |         |         |          |         |
|---------------------------------------------|---------|---------|---------|---------|---------|----------|---------|
| <b>Tot. Dir. Oper. Exp. / Rev. Veh. Hr.</b> | \$77.88 | \$80.12 | \$80.01 | \$95.51 | \$90.66 | \$102.47 | \$95.09 |
|---------------------------------------------|---------|---------|---------|---------|---------|----------|---------|

### SERVICE UTILIZATION

|                                         |      |      |      |      |      |      |      |
|-----------------------------------------|------|------|------|------|------|------|------|
| <b>Reg. Serv. Pass. / Capita</b>        | 51.3 | 31.0 | 37.9 | 28.1 | 35.6 | 32.9 | 31.8 |
| <b>Reg. Serv. Pass. / Rev. Veh. Hr.</b> | 25.5 | 23.1 | 29.2 | 23.6 | 35.4 | 26.4 | 22.9 |

### AMOUNT OF SERVICE

|                                |      |      |      |      |      |      |      |
|--------------------------------|------|------|------|------|------|------|------|
| <b>Rev. Veh. Hrs. / Capita</b> | 2.02 | 1.34 | 1.30 | 1.19 | 1.00 | 1.24 | 1.39 |
|--------------------------------|------|------|------|------|------|------|------|



## Systems Serving Populations 25,000 to 60,000

|                                                           | Campbell<br>River | Chilliwack  | Comox<br>Valley | Vernon      | Penticton   | Average<br>BC | Average<br>Peers |
|-----------------------------------------------------------|-------------------|-------------|-----------------|-------------|-------------|---------------|------------------|
| <b>Population</b>                                         | 30,900            | 53,100      | 45,700          | 37,600      | 29,200      | 39,300        | 48,244           |
| <b>Ridership</b>                                          | 558,885           | 491,358     | 600,128         | 405,271     | 413,257     | 493,780       | 742,811          |
| <b>Revenue Vehicle Hours</b>                              | 21,378            | 21,414      | 25,599          | 23,110      | 22,842      | 22,869        | 39,526           |
| <b>Number of Buses</b>                                    | 9                 | 9           | 12              | 10          | 8           | 10            | 20               |
| <b>Average Age of Buses</b>                               | 12.8              | 4.0         | 7.1             | 11.0        | 1.0         | 7.2           | 8.6              |
| <b>Total Direct Operations Expenses</b>                   | \$1,800,167       | \$1,697,197 | \$2,202,327     | \$2,045,554 | \$1,944,158 | \$1,937,881   | \$3,180,098      |
| <b>Debt Service Payment</b>                               | \$324,343         | \$366,226   | \$456,102       | \$419,162   | \$427,689   | \$398,704     | \$1,467          |
| <b>Total Operating Expenses</b>                           | \$2,124,510       | \$2,063,423 | \$2,658,429     | \$2,464,716 | \$2,371,847 | \$2,336,585   | \$3,184,898      |
| <b>Passenger Revenues</b>                                 | \$592,777         | \$492,013   | \$575,735       | \$604,730   | \$510,422   | \$555,135     | \$981,859        |
| <b>Total Operating Revenues</b>                           | \$602,059         | \$500,865   | \$585,728       | \$613,564   | \$521,152   | \$564,674     | \$1,063,984      |
| <b>CONTRIBUTING TO REVENUES</b>                           |                   |             |                 |             |             |               |                  |
| <b>Provincial Operating Contribution</b>                  | \$840,507         | \$792,424   | \$1,028,274     | \$955,069   | \$907,734   | \$904,802     | \$163,058        |
| <b>Municipal Operating Contribution</b>                   | \$357,601         | \$403,908   | \$588,326       | \$476,921   | \$515,272   | \$468,406     | \$1,874,845      |
| <b>Provincial Debt Service Contribution</b>               | \$151,436         | \$170,991   | \$212,954       | \$195,707   | \$199,688   | \$186,155     | \$0              |
| <b>Municipal Debt Service Contribution</b>                | \$172,907         | \$195,235   | \$243,148       | \$223,455   | \$228,001   | \$212,549     | \$0              |
| <b>PERFORMANCE INDICATORS 2010</b>                        |                   |             |                 |             |             |               |                  |
| <b>Tot. Oper. Rev. / Tot. Dir. Oper. Exp. (R/C Ratio)</b> | 33.4%             | 29.5%       | 26.6%           | 30.0%       | 26.8%       | 29.3%         | 33.5%            |
| <b>FINANCIAL</b>                                          |                   |             |                 |             |             |               |                  |
| <b>Municipal Operating Contribution / Capita</b>          | \$11.57           | \$7.61      | \$12.87         | \$12.68     | \$17.65     | \$12.48       | \$40.24          |
| <b>AVERAGE FARE</b>                                       |                   |             |                 |             |             |               |                  |
| <b>Reg. Serv. Pass. Rev. / Reg. Serv. Pass.</b>           | \$1.06            | \$1.00      | \$0.96          | \$1.49      | \$1.24      | \$1.15        | \$1.43           |
| <b>COST EFFECTIVENESS</b>                                 |                   |             |                 |             |             |               |                  |
| <b>Tot. Dir. Oper. Exp. / Reg. Serv. Pass.</b>            | \$3.22            | \$3.45      | \$3.67          | \$5.05      | \$4.70      | \$4.02        | \$4.76           |
| <b>COST EFFICIENCY</b>                                    |                   |             |                 |             |             |               |                  |
| <b>Tot. Dir. Oper. Exp. / Rev. Veh. Hr.</b>               | \$84.21           | \$79.26     | \$86.03         | \$88.51     | \$85.11     | \$84.62       | \$81.23          |
| <b>SERVICE UTILIZATION</b>                                |                   |             |                 |             |             |               |                  |
| <b>Reg. Serv. Pass. / Capita</b>                          | 18.1              | 9.3         | 13.1            | 10.8        | 14.2        | 13.1          | 16.2             |
| <b>Reg. Serv. Pass. / Rev. Veh. Hr.</b>                   | 26.1              | 22.9        | 23.4            | 17.5        | 18.1        | 21.6          | 18.2             |
| <b>AMOUNT OF SERVICE</b>                                  |                   |             |                 |             |             |               |                  |
| <b>Rev. Veh. Hrs. / Capita</b>                            | 0.69              | 0.40        | 0.56            | 0.61        | 0.78        | 0.61          | 0.85             |

## Systems Serving Populations 25,000 to 60,000

|                                         | GrandePrairie<br>AL 09 | Brandon<br>MAN 09 | Fredericton<br>NB | Cape<br>Breton<br>NS | Belleville<br>ON | Cornwall<br>ON | Timmins<br>ON |
|-----------------------------------------|------------------------|-------------------|-------------------|----------------------|------------------|----------------|---------------|
| <b>Population</b>                       | 50,227                 | 52,000            | 50,000            | 68,000               | 37,000           | 45,965         | 38,000        |
| <b>Ridership</b>                        | 572,860                | 1,120,699         | 1,239,104         | 305,670              | 863,922          | 702,212        | 974,201       |
| <b>Revenue Vehicle Hours</b>            | 42,000                 | 60,495            | 43,537            | 27,040               | 38,052           | 37,138         | 46,536        |
| <b>Number of Buses</b>                  | 20                     | 23                | 28                | 16                   | 14               | 16             | 21            |
| <b>Average Age of Buses</b>             | 8.5                    | 4.6               | 9.4               | 13.3                 | 4.0              | 10.6           | 7.3           |
| <b>Total Direct Operations Expenses</b> | \$2,907,837            | \$3,858,610       | \$3,958,241       | \$2,490,879          | \$3,101,175      | \$3,288,897    | \$4,477,976   |
| <b>Debt Service Payment</b>             | \$0                    | \$0               | \$0               | \$0                  | \$0              | \$0            | \$0           |
| <b>Total Operating Expenses</b>         | \$2,907,837            | \$3,858,610       | \$3,958,241       | \$2,490,879          | \$3,101,175      | \$3,288,897    | \$4,477,976   |
| <b>Passenger Revenues</b>               | \$648,521              | \$1,050,248       | \$1,122,645       | \$573,969            | \$1,581,849      | \$983,675      | \$1,387,529   |
| <b>Total Operating Revenues</b>         | \$709,768              | \$1,050,248       | \$1,508,422       | \$620,867            | \$1,646,682      | \$1,051,592    | \$1,417,359   |

### CONTRIBUTING TO REVENUES

|                                             |             |             |             |             |             |             |             |
|---------------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Provincial Operating Contribution</b>    | \$0         | \$1,279,900 | \$0         | \$0         | \$0         | \$187,619   | \$0         |
| <b>Municipal Operating Contribution</b>     | \$2,147,845 | \$1,528,462 | \$2,443,349 | \$1,870,012 | \$1,442,328 | \$1,788,218 | \$3,029,036 |
| <b>Provincial Debt Service Contribution</b> | \$0         | \$0         | \$0         | \$0         | \$0         | \$0         | \$0         |
| <b>Municipal Debt Service Contribution</b>  | \$0         | \$0         | \$0         | \$0         | \$0         | \$0         | \$0         |

### PERFORMANCE INDICATORS 2010

|                                                           |       |       |       |       |       |       |       |
|-----------------------------------------------------------|-------|-------|-------|-------|-------|-------|-------|
| <b>Tot. Oper. Rev. / Tot. Dir. Oper. Exp. (R/C Ratio)</b> | 24.4% | 27.2% | 38.1% | 24.9% | 53.1% | 32.0% | 31.7% |
|-----------------------------------------------------------|-------|-------|-------|-------|-------|-------|-------|

### FINANCIAL

|                                                  |         |         |         |         |         |         |         |
|--------------------------------------------------|---------|---------|---------|---------|---------|---------|---------|
| <b>Municipal Operating Contribution / Capita</b> | \$42.76 | \$29.39 | \$48.87 | \$27.50 | \$38.98 | \$38.90 | \$79.71 |
|--------------------------------------------------|---------|---------|---------|---------|---------|---------|---------|

### AVERAGE FARE

|                                                 |        |        |        |        |        |        |        |
|-------------------------------------------------|--------|--------|--------|--------|--------|--------|--------|
| <b>Reg. Serv. Pass. Rev. / Reg. Serv. Pass.</b> | \$1.13 | \$0.94 | \$0.91 | \$1.88 | \$1.83 | \$1.40 | \$1.42 |
|-------------------------------------------------|--------|--------|--------|--------|--------|--------|--------|

### COST EFFECTIVENESS

|                                                |        |        |        |        |        |        |        |
|------------------------------------------------|--------|--------|--------|--------|--------|--------|--------|
| <b>Tot. Dir. Oper. Exp. / Reg. Serv. Pass.</b> | \$5.08 | \$3.44 | \$3.19 | \$8.15 | \$3.59 | \$4.68 | \$4.60 |
|------------------------------------------------|--------|--------|--------|--------|--------|--------|--------|

### COST EFFICIENCY

|                                             |         |         |         |         |         |         |         |
|---------------------------------------------|---------|---------|---------|---------|---------|---------|---------|
| <b>Tot. Dir. Oper. Exp. / Rev. Veh. Hr.</b> | \$69.23 | \$63.78 | \$90.92 | \$92.12 | \$81.50 | \$88.56 | \$96.23 |
|---------------------------------------------|---------|---------|---------|---------|---------|---------|---------|

### SERVICE UTILIZATION

|                                         |      |      |      |      |      |      |      |
|-----------------------------------------|------|------|------|------|------|------|------|
| <b>Reg. Serv. Pass. / Capita</b>        | 11.4 | 21.6 | 24.8 | 4.5  | 23.3 | 15.3 | 25.6 |
| <b>Reg. Serv. Pass. / Rev. Veh. Hr.</b> | 13.6 | 18.5 | 28.5 | 11.3 | 22.7 | 18.9 | 20.9 |

### AMOUNT OF SERVICE

|                                |      |      |      |      |      |      |      |
|--------------------------------|------|------|------|------|------|------|------|
| <b>Rev. Veh. Hrs. / Capita</b> | 0.84 | 1.16 | 0.87 | 0.40 | 1.03 | 0.81 | 1.22 |
|--------------------------------|------|------|------|------|------|------|------|

## Systems Serving Populations 25,000 - 60,000

|                                  | Welland<br>ON | Charlottetown<br>PEI |
|----------------------------------|---------------|----------------------|
| Population                       | 48,000        | 45,000               |
| Ridership                        | 576,634       | 330,000              |
| Revenue Vehicle Hours            | 35,438        | 25,500               |
| Number of Buses                  | 26            | 20                   |
| Average Age of Buses             | 7.2           | 12.7                 |
| Total Direct Operations Expenses | \$2,811,165   | \$1,726,100          |
| Debt Service Payment             | \$0           | \$13,200             |
| Total Operating Expenses         | \$2,811,165   | \$1,769,300          |
| Passenger Revenues               | \$885,017     | \$603,280            |
| Total Operating Revenues         | \$939,235     | \$631,680            |

### CONTRIBUTING TO REVENUES

|                                      |             |           |
|--------------------------------------|-------------|-----------|
| Provincial Operating Contribution    | \$0         | \$0       |
| Municipal Operating Contribution     | \$1,637,357 | \$987,000 |
| Provincial Debt Service Contribution | \$0         | \$0       |
| Municipal Debt Service Contribution  | \$0         | \$0       |

### PERFORMANCE INDICATORS 2010

|                                                    |       |       |
|----------------------------------------------------|-------|-------|
| Tot. Oper. Rev. / Tot. Dir. Oper. Exp. (R/C Ratio) | 33.4% | 36.6% |
|----------------------------------------------------|-------|-------|

### FINANCIAL

|                                           |         |         |
|-------------------------------------------|---------|---------|
| Municipal Operating Contribution / Capita | \$34.11 | \$21.93 |
|-------------------------------------------|---------|---------|

### AVERAGE FARE

|                                          |        |        |
|------------------------------------------|--------|--------|
| Reg. Serv. Pass. Rev. / Reg. Serv. Pass. | \$1.53 | \$1.83 |
|------------------------------------------|--------|--------|

### COST EFFECTIVENESS

|                                         |        |        |
|-----------------------------------------|--------|--------|
| Tot. Dir. Oper. Exp. / Reg. Serv. Pass. | \$4.88 | \$5.23 |
|-----------------------------------------|--------|--------|

### COST EFFICIENCY

|                                      |         |         |
|--------------------------------------|---------|---------|
| Tot. Dir. Oper. Exp. / Rev. Veh. Hr. | \$79.33 | \$69.38 |
|--------------------------------------|---------|---------|

### SERVICE UTILIZATION

|                                  |      |      |
|----------------------------------|------|------|
| Reg. Serv. Pass. / Capita        | 12.0 | 7.3  |
| Reg. Serv. Pass. / Rev. Veh. Hr. | 16.3 | 12.9 |

### AMOUNT OF SERVICE

|                         |      |      |
|-------------------------|------|------|
| Rev. Veh. Hrs. / Capita | 0.74 | 0.57 |
|-------------------------|------|------|

## Systems Serving Populations 10,000 to 25,000

|                                  | Cranbrook   | Dawson Creek | Ft. St. John | Kitimat     | Kootenay    | Nelson      | Port Alberni |
|----------------------------------|-------------|--------------|--------------|-------------|-------------|-------------|--------------|
| Population                       | 19,500      | 10,800       | 17,700       | 9,600       | 13,000      | 14,000      | 18,500       |
| Ridership                        | 235,357     | 137,068      | 129,201      | 143,616     | 300,551     | 273,117     | 311,546      |
| Revenue Vehicle Hours            | 12,299      | 9,071        | 11,086       | 10,343      | 13,052      | 12,013      | 12,289       |
| Number of Buses                  | 5           | 4            | 5            | 6           | 11          | 6           | 5            |
| Average Age of Buses             | 8.0         | 11.0         | 9.4          | 9.4         | 9.4         | 1.0         | 11.0         |
| Total Direct Operations Expenses | \$1,023,865 | \$1,172,395  | \$1,519,533  | \$961,334   | \$1,459,372 | \$1,018,070 | \$1,500,733  |
| Debt Service Payment             | \$260,885   | \$187,206    | \$199,004    | \$299,874   | \$593,203   | \$339,061   | \$216,432    |
| Total Operating Expenses         | \$1,284,750 | \$1,359,601  | \$1,718,537  | \$1,261,208 | \$2,052,575 | \$1,357,131 | \$1,717,165  |
| Passenger Revenues               | \$236,211   | \$141,354    | \$119,336    | \$155,069   | \$299,553   | \$315,760   | \$302,609    |
| Total Operating Revenues         | \$238,318   | \$146,228    | \$126,180    | \$156,234   | \$301,018   | \$321,354   | \$311,035    |

### CONTRIBUTING TO REVENUES

|                                      |           |           |           |           |           |           |           |
|--------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Provincial Operating Contribution    | \$478,052 | \$547,397 | \$709,475 | \$448,853 | \$633,939 | \$475,337 | \$700,697 |
| Municipal Operating Contribution     | \$307,495 | \$478,769 | \$683,878 | \$356,247 | \$524,414 | \$221,379 | \$489,000 |
| Provincial Debt Service Contribution | \$121,807 | \$87,407  | \$92,915  | \$140,011 | \$276,966 | \$158,308 | \$101,052 |
| Municipal Debt Service Contribution  | \$139,078 | \$99,800  | \$106,089 | \$159,863 | \$316,236 | \$180,753 | \$115,380 |

### PERFORMANCE INDICATORS 2010

|                                                           |       |       |      |       |       |       |       |
|-----------------------------------------------------------|-------|-------|------|-------|-------|-------|-------|
| <b>Tot. Oper. Rev. / Tot. Dir. Oper. Exp. (R/C Ratio)</b> | 23.3% | 12.5% | 8.3% | 16.3% | 20.6% | 31.6% | 20.7% |
|-----------------------------------------------------------|-------|-------|------|-------|-------|-------|-------|

### FINANCIAL

|                                                  |         |         |         |         |         |         |         |
|--------------------------------------------------|---------|---------|---------|---------|---------|---------|---------|
| <b>Municipal Operating Contribution / Capita</b> | \$15.77 | \$44.33 | \$38.64 | \$37.11 | \$40.34 | \$15.81 | \$26.43 |
|--------------------------------------------------|---------|---------|---------|---------|---------|---------|---------|

### AVERAGE FARE

|                                                 |        |        |        |        |        |        |        |
|-------------------------------------------------|--------|--------|--------|--------|--------|--------|--------|
| <b>Reg. Serv. Pass. Rev. / Reg. Serv. Pass.</b> | \$1.00 | \$1.03 | \$0.92 | \$1.08 | \$1.00 | \$1.16 | \$0.97 |
|-------------------------------------------------|--------|--------|--------|--------|--------|--------|--------|

### COST EFFECTIVENESS

|                                                |        |        |         |        |        |        |        |
|------------------------------------------------|--------|--------|---------|--------|--------|--------|--------|
| <b>Tot. Dir. Oper. Exp. / Reg. Serv. Pass.</b> | \$4.35 | \$8.55 | \$11.76 | \$6.69 | \$4.86 | \$3.73 | \$4.82 |
|------------------------------------------------|--------|--------|---------|--------|--------|--------|--------|

### COST EFFICIENCY

|                                             |         |          |          |         |          |         |          |
|---------------------------------------------|---------|----------|----------|---------|----------|---------|----------|
| <b>Tot. Dir. Oper. Exp. / Rev. Veh. Hr.</b> | \$83.25 | \$129.25 | \$137.07 | \$92.95 | \$111.81 | \$84.75 | \$122.12 |
|---------------------------------------------|---------|----------|----------|---------|----------|---------|----------|

### SERVICE UTILIZATION

|                                         |      |      |      |      |      |      |      |
|-----------------------------------------|------|------|------|------|------|------|------|
| <b>Reg. Serv. Pass. / Capita</b>        | 12.1 | 12.7 | 7.3  | 15.0 | 23.1 | 19.5 | 16.8 |
| <b>Reg. Serv. Pass. / Rev. Veh. Hr.</b> | 19.1 | 15.1 | 11.7 | 13.9 | 23.0 | 22.7 | 25.4 |

### AMOUNT OF SERVICE

|                                |      |      |      |      |      |      |      |
|--------------------------------|------|------|------|------|------|------|------|
| <b>Rev. Veh. Hrs. / Capita</b> | 0.63 | 0.84 | 0.63 | 1.08 | 1.00 | 0.86 | 0.66 |
|--------------------------------|------|------|------|------|------|------|------|

## Systems Serving Populations 10,000 to 25,000

|                                         | Powell River | Prince Rupert | Squamish    | Sunshine Coast | Terrace   | Average     |
|-----------------------------------------|--------------|---------------|-------------|----------------|-----------|-------------|
| <b>Population</b>                       | 13,900       | 13,600        | 16,200      | 20,600         | 14,300    | 15,142      |
| <b>Ridership</b>                        | 200,590      | 366,823       | 202,558     | 484,076        | 199,267   | 248,648     |
| <b>Revenue Vehicle Hours</b>            | 10,813       | 9,956         | 10,586      | 16,740         | 8,374     | 11,385      |
| <b>Number of Buses</b>                  | 5            | 5             | 5           | 6              | 3         | 6           |
| <b>Average Age of Buses</b>             | 4.0          | 10.6          | 11.0        | 15.0           | 13.7      | 9.5         |
| <b>Total Direct Operations Expenses</b> | \$977,600    | \$907,983     | \$673,065   | \$1,427,799    | \$633,356 | \$1,106,259 |
| <b>Debt Service Payment</b>             | \$206,134    | \$235,909     | \$366,261   | \$259,641      | \$111,747 | \$272,946   |
| <b>Total Operating Expenses</b>         | \$1,183,734  | \$1,143,892   | \$1,039,326 | \$1,687,440    | \$745,103 | \$1,379,205 |
| <b>Passenger Revenues</b>               | \$207,242    | \$358,439     | \$208,507   | \$724,136      | \$182,654 | \$270,906   |
| <b>Total Operating Revenues</b>         | \$210,597    | \$363,540     | \$208,507   | \$726,774      | \$185,576 | \$274,613   |

### CONTRIBUTING TO REVENUES

|                                             |           |           |           |           |           |           |
|---------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Provincial Operating Contribution</b>    | \$456,446 | \$423,946 | \$314,260 | \$666,649 | \$295,718 | \$512,564 |
| <b>Municipal Operating Contribution</b>     | \$310,558 | \$120,497 | \$150,298 | \$34,376  | \$152,062 | \$319,081 |
| <b>Provincial Debt Service Contribution</b> | \$96,244  | \$110,146 | \$171,007 | \$121,226 | \$52,175  | \$127,439 |
| <b>Municipal Debt Service Contribution</b>  | \$109,890 | \$125,763 | \$195,254 | \$138,415 | \$59,572  | \$145,508 |

### PERFORMANCE INDICATORS 2010

|                                                           |         |         |         |         |         |         |
|-----------------------------------------------------------|---------|---------|---------|---------|---------|---------|
| <b>Tot. Oper. Rev. / Tot. Dir. Oper. Exp. (R/C Ratio)</b> | 21.5%   | 40.0%   | 31.0%   | 50.9%   | 29.3%   | 24.8%   |
| <b>FINANCIAL</b>                                          |         |         |         |         |         |         |
| <b>Municipal Operating Contribution / Capita</b>          | \$22.34 | \$8.86  | \$9.28  | \$1.67  | \$10.63 | \$21.07 |
| <b>AVERAGE FARE</b>                                       |         |         |         |         |         |         |
| <b>Reg. Serv. Pass. Rev. / Reg. Serv. Pass.</b>           | \$1.03  | \$0.98  | \$1.03  | \$1.50  | \$0.92  | \$1.09  |
| <b>COST EFFECTIVENESS</b>                                 |         |         |         |         |         |         |
| <b>Tot. Dir. Oper. Exp. / Reg. Serv. Pass.</b>            | \$4.87  | \$2.48  | \$3.32  | \$2.95  | \$3.18  | \$4.45  |
| <b>COST EFFICIENCY</b>                                    |         |         |         |         |         |         |
| <b>Tot. Dir. Oper. Exp. / Rev. Veh. Hr.</b>               | \$90.41 | \$91.20 | \$63.58 | \$85.29 | \$75.63 | \$97.17 |
| <b>SERVICE UTILIZATION</b>                                |         |         |         |         |         |         |
| <b>Reg. Serv. Pass. / Capita</b>                          | 14.4    | 27.0    | 12.5    | 23.5    | 13.9    | 16.4    |
| <b>Reg. Serv. Pass. / Rev. Veh. Hr.</b>                   | 18.6    | 36.8    | 19.1    | 28.9    | 23.8    | 21.8    |
| <b>AMOUNT OF SERVICE</b>                                  |         |         |         |         |         |         |
| <b>Rev. Veh. Hrs. / Capita</b>                            | 0.78    | 0.73    | 0.65    | 0.81    | 0.59    | 0.75    |



# Appendix C: List of Meetings and Submissions

## List of Meetings

|                                                  |                                               |                                        |
|--------------------------------------------------|-----------------------------------------------|----------------------------------------|
| BC Transit                                       | City of Kelowna                               | Mount Waddington Regional District     |
| Canadian Auto Workers Union                      | City of Nelson                                | PWTransit                              |
| Canadian Office and Professional Employees Union | City of Penticton                             | Regional District of Central Kootenay  |
| Canadian Union of Public Employees               | City of Prince George                         | Regional District of Central Okanagan  |
| Canadian Urban Transit Association               | City of Vernon                                | Regional District of Kootenay Boundary |
| Capital Regional District                        | Comox Valley Regional District                | Regional District of Nanaimo           |
| City of Abbotsford                               | District of Lake Country                      | Resort Municipality of Whistler        |
| City of Chilliwack                               | District of Peachland                         | Sunshine Coast Regional District       |
| City of Dawson Creek                             | District of Saanich                           | Squamish Lillooet Regional District    |
| City of Fort St. John                            | District of West Kelowna                      | Town of Ladysmith                      |
| City of Kamloops                                 | First Transit Canada                          | Victoria Regional Transit Commission   |
|                                                  | Ministry of Transportation and Infrastructure | Westshore Chamber of Commerce          |



## List of Written Submissions and Written Presentations

|                             |                                                     |                                        |
|-----------------------------|-----------------------------------------------------|----------------------------------------|
| BC Transit                  | City of Quesnel                                     | Regional District of Central Kootenay  |
| Canadian Auto Workers Union | City of Terrace                                     | Regional District of Central Okanagan  |
| Capital Regional District   | Comox Valley Regional District                      | Regional District of Kitimat Stikine   |
| City of Abbotsford          | City of Vernon                                      | Regional District of Kootenay Boundary |
| City of Chilliwack          | CRD Business and Residential Taxpayer's Association | Regional District of Nanaimo           |
| City of Dawson Creek        | District of Mission                                 | Resort Municipality of Whistler        |
| City of Kamloops            | District of Kitimat                                 | Sunshine Coast Regional District       |
| City of Kelowna             | District of Lake Country                            | Squamish Lillooet Regional District    |
| City of Powell River        | District of Peachland                               | Westbank First Nation                  |
| City of Penticton           | District of Port Edward                             | Westshore Chamber of Commerce          |
| City of Prince George       | District of West Kelowna                            |                                        |
| City of Prince Rupert       | Mount Waddington Regional District                  |                                        |

## APPENDIX D: PERFORMANCE REPORTING TEMPLATES

BC Transit is accountable to local councils for the efficient and effective operation of local transit systems. Local councils, in turn, are accountable to local taxpayers and transit users for their role in the delivery of public transit. In order to demonstrate that accountability, local governments need clear, concise and understandable information on system performance. In addition, local government staff may require more detailed information about their local transit system than Councils and Regional District Boards.

Rather than staff at each local government requesting individual system-specific information from BC Transit, the Panel suggests that reporting templates be developed through consultation between BC Transit and local government. The Panel has provided a sample of the template to be provided to Councils and Regional District Boards below. In addition, the Panel has provided samples of three templates for the provision of information to staff, each representing increasing levels of detail.

The first template provides basic system information in slightly more detail than that provided to local governing bodies. The second template builds on the first, providing further detail in specific categories. The third template provides a comprehensive level of detail, which would likely be preferred by local government staff who are assigned the transit portfolio as a significant part of their duties. These staff would likely be engaged in detailed performance monitoring, fully analyzing trends and using the results to recommend system improvements.

The Panel recommends that these three templates form the basis for discussions between BC Transit and local government. Once the templates are finalized, the Panel further recommends that the partners agree on the frequency of reporting of the various performance measures.

## Sample Reporting Template for Councils and Regional District Boards

| Measure             | Comment                                                                                                                               |
|---------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| Ridership           | Measures the success of the service                                                                                                   |
| Cost/capita         | Measures the level of financial commitment to public transit by BC Transit and local government (for comparison to other communities) |
| Passengers/capita   | Demonstrates the success of the transit system in attracting ridership (for comparison with other communities)                        |
| Hours/capita        | Demonstrates the amount of service provided in the transit system                                                                     |
| Operating Cost/hour | Demonstrates the efficiency of a transit system in providing services                                                                 |
| Cost/rider          | Demonstrates the effectiveness of a transit system in providing services to its target population                                     |
| Revenue/cost        | Illustrates the self-sufficiency and financial performance of the transit system                                                      |

## Sample Reporting Template for Staff: Level 1

| Category            | Measure                                                                                 |
|---------------------|-----------------------------------------------------------------------------------------|
| Ridership           | Total system ridership<br>Ridership by route<br>Passengers/capita<br>Passengers/hour    |
| Revenues            | Revenues/Cost<br>Revenues/passenger                                                     |
| Costs               | Direct operating costs<br>Direct Operating Cost/hour<br>Direct Operating Cost/passenger |
| Service Reliability | % scheduled service provided                                                            |
| Safety              | Number of accidents<br>Accidents/km                                                     |
| Supply              | Hours of service<br>Hours of service/capita                                             |

## Sample Reporting Template for Staff: Level 2

| Category            | Measure                                                                                                                                               |
|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| Ridership           | Total system ridership<br>Passengers/capita<br>Passengers/hour<br>Ridership by route<br>Quarterly report - ridership on new routes                    |
| Revenues            | Revenues/Cost<br>Revenues/passenger<br>Revenues by fare category                                                                                      |
| Costs               | Direct operating costs<br>Direct Operating Cost/hour<br>Direct Operating Cost/passenger<br>Debt servicing (lease fees) costs<br>Total operating costs |
| Service Reliability | % scheduled service provided<br>% service hours lost                                                                                                  |
| On time performance | % service on-time (Never early, up to 3 min late)                                                                                                     |
| Safety              | Number of accidents<br>Accidents/km                                                                                                                   |
| Supply              | Hours of service<br>Hours of service/capita                                                                                                           |
| Fleet size          | Number of buses                                                                                                                                       |
| Age                 | Average age                                                                                                                                           |

## Sample Reporting Template for Staff: Level 3

| Measure             | Comment                                                                                                                                                                                                                                                                                 |
|---------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Ridership           | Total system ridership<br>Passengers/capita<br>Passengers/hour<br>Ridership by route<br>Ridership by route by time of day<br>Ridership by route segment<br>% transfers, system-wide<br>Transfer tracking - route to route<br>Quarterly report - ridership on new routes, by time of day |
| Revenues            | Revenues/Cost<br>Revenues/passenger<br>Revenues by fare category<br>Advertising revenues<br>Revenues by month<br>Revenues by fare category by month                                                                                                                                     |
| Costs               | Direct operating costs<br>Direct Operating Cost/hour<br>Direct Operating Cost/passenger<br>Debt servicing (lease fees) costs<br>Total operating costs<br>Operations costs<br>Maintenance costs<br>Fuel costs<br>Other operating costs                                                   |
| Service Reliability | % scheduled service provided<br>% service hours lost<br>% service hours lost by reason (accidents, road calls, etc)                                                                                                                                                                     |
| On time performance | % service on-time (Never early, up to 3 min late)                                                                                                                                                                                                                                       |
| Safety              | Number of accidents<br>Accidents/km                                                                                                                                                                                                                                                     |
| Supply              | Hours of service<br>Hours of service/capita<br>Hours of service by month                                                                                                                                                                                                                |
| Fleet size          | Number of buses                                                                                                                                                                                                                                                                         |
| Age                 | Average age                                                                                                                                                                                                                                                                             |
| Spare ratio         | % spares                                                                                                                                                                                                                                                                                |
| Fuel consumption    | Litres/100 km<br>Litres/100 km by type of vehicle                                                                                                                                                                                                                                       |

# Appendix E: Legislative Changes

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Legislative Change Required | Implementation in Advance of Legislative Change                                                                                                                                                |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1) The Ministry of Transportation and Infrastructure should work with local governments with public transit services to develop the Government Letter of Expectations to BC Transit. The Letter of Expectations should clearly establish the roles, responsibilities and accountabilities of the provincial government, local governments and BC Transit.                                                                                                                            | NO                          | Can be implemented immediately.                                                                                                                                                                |
| 2) The provincial government should increase the membership of the Board of Directors from seven to nine. While this recommendation requires legislative change, the following recommendation (Recommendation 3) can be implemented with either a seven or nine person Board.                                                                                                                                                                                                        | YES                         | No interim solution                                                                                                                                                                            |
| 3) Recognize the partnership for the delivery of public transit at the BC Transit Board. Specifically:                                                                                                                                                                                                                                                                                                                                                                               |                             |                                                                                                                                                                                                |
| i) The Board of BC Transit should provide local governments with a Board skills matrix to guide the selection of nominees to the Board.                                                                                                                                                                                                                                                                                                                                              | NO                          | Can be implemented immediately.                                                                                                                                                                |
| ii) The provincial government should revise the appointment process for the Board of Directors to allow local government to directly appoint representatives to the Board. Prior to legislative change Cabinet should accept nominations from local governments for appointment to the Board. A revised appointment process that would be consistent with existing legislation (current Board size) and an expanded Board under Recommendation 2 is outlined in the following table: | YES                         | Cabinet makes appointments but will appoint two local government nominations from the Victoria Regional Transit Commission and two local government nominations from the rest of the province. |

|                       | Under existing legislation                                                                                                  | With recommended legislative changes                                                                            |
|-----------------------|-----------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
| Provincial government | Appoints three members including Chair.                                                                                     | Appoints four members including Chair.                                                                          |
| Local government      | Nominates two members from the Victoria Regional Transit Commission and two other elected local government representatives. | Appoints two members from the Victoria Regional Transit Commission and three other local government appointees. |

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Legislative Change Required                                                                                                                                                                               | Implementation in Advance of Legislative Change                                                   |                                                                                                                                                                                                      |                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                 |                                                                                                            |                         |                            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|-------------------------|----------------------------|
| <p>iii) It is common practice that elected officials do not sit on the boards of Crown agencies since their responsibilities as a Director may conflict with their accountabilities as an elected official. The Panel considered two options for the appointment of the local government representatives and did not reach a conclusion on a preferred approach. The pros and cons of each approach are identified in the following table.</p> <table><tr><th>Pros</th><th>Cons</th></tr><tr><td><p>Option 1:<br/>Local government appointments may include</p><ul style="list-style-type: none"><li>• Consistent with current practice.</li><li>• Knowledge of current needs/interests of</li></ul></td><td><ul style="list-style-type: none"><li>• Potential for high turnover due to local government election cycles.</li><li>• Risk of conflict in balancing local interests with BC Transit interests.</li></ul></td></tr><tr><td><p>Option 2:<br/>Local government appointments would exclude sitting elected officials.</p><ul style="list-style-type: none"><li>• Provides continuity as appointments would not be tied to election cycle</li><li>• Director would not be tied to single community</li><li>• Easier to make appointments based on the skills matrix</li></ul></td><td><ul style="list-style-type: none"><li>• May not adequately represent local government interests.</li></ul></td></tr></table> | Pros                                                                                                                                                                                                      | Cons                                                                                              | <p>Option 1:<br/>Local government appointments may include</p> <ul style="list-style-type: none"><li>• Consistent with current practice.</li><li>• Knowledge of current needs/interests of</li></ul> | <ul style="list-style-type: none"><li>• Potential for high turnover due to local government election cycles.</li><li>• Risk of conflict in balancing local interests with BC Transit interests.</li></ul> | <p>Option 2:<br/>Local government appointments would exclude sitting elected officials.</p> <ul style="list-style-type: none"><li>• Provides continuity as appointments would not be tied to election cycle</li><li>• Director would not be tied to single community</li><li>• Easier to make appointments based on the skills matrix</li></ul> | <ul style="list-style-type: none"><li>• May not adequately represent local government interests.</li></ul> | <p>YES for option 2</p> | <p>No interim solution</p> |
| Pros                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Cons                                                                                                                                                                                                      |                                                                                                   |                                                                                                                                                                                                      |                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                 |                                                                                                            |                         |                            |
| <p>Option 1:<br/>Local government appointments may include</p> <ul style="list-style-type: none"><li>• Consistent with current practice.</li><li>• Knowledge of current needs/interests of</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <ul style="list-style-type: none"><li>• Potential for high turnover due to local government election cycles.</li><li>• Risk of conflict in balancing local interests with BC Transit interests.</li></ul> |                                                                                                   |                                                                                                                                                                                                      |                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                 |                                                                                                            |                         |                            |
| <p>Option 2:<br/>Local government appointments would exclude sitting elected officials.</p> <ul style="list-style-type: none"><li>• Provides continuity as appointments would not be tied to election cycle</li><li>• Director would not be tied to single community</li><li>• Easier to make appointments based on the skills matrix</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <ul style="list-style-type: none"><li>• May not adequately represent local government interests.</li></ul>                                                                                                |                                                                                                   |                                                                                                                                                                                                      |                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                 |                                                                                                            |                         |                            |
| <p>iv) Provincial government and local government Board appointments should be made on the basis of staggered terms to allow for Board continuity.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <p>YES</p>                                                                                                                                                                                                | <p>As appointments are made “at pleasure,” staggered terms can be implemented through policy.</p> |                                                                                                                                                                                                      |                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                 |                                                                                                            |                         |                            |
| <p>v) The provincial government and local government should negotiate appointment guidelines to be consistent with standard board practices regarding appointments and terms. In order to implement these recommendations local governments would need to determine the appropriate body to coordinate the appointment process.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <p>NO</p>                                                                                                                                                                                                 | <p>Can be implemented immediately.</p>                                                            |                                                                                                                                                                                                      |                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                 |                                                                                                            |                         |                            |

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Legislative Change Required | Implementation in Advance of Legislative Change                                                                               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------|
| 4) The provincial government should amend the BC Transit Act to allow local government to appoint all members of a transit commission and allow the transit commission to hire its own clerical and technical staff. In the interim, Cabinet should accept nominations from local governments for appointment to transit commissions and BC Transit will continue to provide clerical and technical staff to transit commissions.                                                    | YES                         | Cabinet makes appointments but will accept nominations from local government for appointment to regional transit commissions. |
| 5) Local government and BC Transit decision making authority should rest with the partner that bears the consequences or benefits of any decision. Where a decision of one partner will have an impact on the other partner, consultation should occur:                                                                                                                                                                                                                              |                             |                                                                                                                               |
| i) The BC Transit Board should ensure that BC Transit decision making explicitly considers the impact on local governments and should ideally include a mechanism for local government sign off. For example, the BC Transit Board told the Panel that all decisions of the BC Transit Board that have capital cost implications for an individual transit system must have local government approval. BC Transit should ensure that all local governments are aware of this policy. | NO                          | Can be implemented through policy and recognized in operating agreements.                                                     |
| ii) The BC Transit Board should ensure that any system wide capital spending decisions made by the BC Transit Board has input from an advisory panel consisting of local government representatives.                                                                                                                                                                                                                                                                                 | NO                          | Can be implemented through policy.                                                                                            |
| iii) Local governments should provide sufficient notice to BC Transit on service adjustments so that the financial consequences of that decision are appropriately shared between the partners.                                                                                                                                                                                                                                                                                      | NO                          | Can be implemented through policy and recognized in operating agreements.                                                     |



| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Legislative Change Required | Implementation in Advance of Legislative Change                 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------------------------------------------|
| iv) The Province should consult with local governments on provincial public transit policy.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | NO                          | Can be implemented through policy.                              |
| v) BC Transit should ensure that it engages with and considers the input of local governments and transit operating companies in route planning and scheduling activities.                                                                                                                                                                                                                                                                                                                                                                                                               | NO                          | Can be implemented through policy.                              |
| To be clear, no changes in decision making authority are proposed but improvements in process are required.                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                             |                                                                 |
| 6) Local government should involve BC Transit in key planning issues and invite BC Transit to participate in official community planning processes. Local governments should provide BC Transit with information regarding decisions that may impact public transit including: <ul style="list-style-type: none"> <li>• Long term municipal transit budgets;</li> <li>• Land use planning; and,</li> <li>• Transportation planning and zoning decisions that will result in developments that will require transit services, or impact the ability to deliver public transit.</li> </ul> | NO                          | Can be implemented through adjustments to operating agreements. |
| These requirements should be outlined in operating agreements between BC Transit and local governments.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                             |                                                                 |
| 7) BC Transit should develop a strategic communications plan that includes provincial government, BC Transit and local government strategic goals for transit and share the plan with local governments. The plan should outline key dates and timelines for provincial government, BC Transit and local government decision making processes.                                                                                                                                                                                                                                           | NO                          | Can be implemented immediately.                                 |
| 8) The Ministry of Transportation and Infrastructure should provide BC Transit with clear direction on its role in implementing the Provincial Transit Plan.                                                                                                                                                                                                                                                                                                                                                                                                                             | NO                          | Can be implemented immediately.                                 |

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Legislative Change Required | Implementation in Advance of Legislative Change |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-------------------------------------------------|
| <p>9) BC Transit and local governments should enhance accountability in operating agreements. While some roles and responsibilities are contained in existing Master Operating Agreements and Annual Operating Agreements, accountabilities could be strengthened by:</p> <ul style="list-style-type: none"> <li>• Establishing information sharing requirements appropriate for all partners in operating agreements, including timelines and dates, performance measures (see recommendation 13) and local government planning (see recommendation 6);</li> <li>• Establishing local government financial accountability for service decisions that result in costs that must be covered by BC Transit (see recommendation 5);</li> <li>• Improving transparency by including the provincial share of debt servicing costs; and,</li> <li>• Committing BC Transit to provide financial information to local governments based on the calendar year.</li> </ul> | NO                          | Can be implemented immediately.                 |
| <p>10) The provincial government should amend the BC Transit Act and Regulation to enable multi-year operating agreements.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | YES                         | No interim solution.                            |
| <p>11) The provincial government should amend the BC Transit Act and Regulation to require only one agreement between local governments and BC Transit and one operating agreement between BC Transit and a transit operating company for each transit service area.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | YES                         | No interim solution.                            |
| <p>12) BC Transit should work with local governments to set appropriate service standards for each transit system and provide annual data on system and route performance.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | NO                          | Can be implemented immediately.                 |

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                | Legislative Change Required | Implementation in Advance of Legislative Change                                                                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|------------------------------------------------------------------------------------------------------------------------|
| 13) BC Transit should provide reports to Councils and Regional District Boards at least twice a year on: system ridership; cost per capita; passengers per capita; service hours per capita; cost per hour; cost per rider; and, revenue cost ratio. BC Transit should also provide each local Council and Board comparisons with peers and performance over time for each of these measures. | NO                          | Can be implemented immediately.                                                                                        |
| 14) BC Transit should develop, in partnership with local government staff, performance reporting templates which meet local government staff needs. Sample templates are provided for discussion in Appendix D.                                                                                                                                                                               | NO                          | Can be implemented immediately.                                                                                        |
| 15) BC Transit should report in detail annually to local government on its administration costs, its fleet management activities and the benefits it provides from centralized purchasing in comparison to other transit systems across Canada.                                                                                                                                               | NO                          | Can be implemented immediately.                                                                                        |
| 16) The provincial government should provide the Board of BC Transit with the authority to authorize commercial revenue activities within an established framework.                                                                                                                                                                                                                           | NO                          | Can be implemented through policy.                                                                                     |
| 17) The provincial government should provide BC Transit its capital funding through the established service plan process with output targets.                                                                                                                                                                                                                                                 | NO                          | Can be implanted through policy.                                                                                       |
| 18) The provincial government should develop a policy framework for intercity routes among multiple jurisdictions and if required amend the BC Transit Act and Regulation to provide for a stable mechanism to implement these routes.                                                                                                                                                        | YES                         | The Ministry of Transportation and Infrastructure needs to develop provincial policy around inter-city public transit. |



# Appendix F: Survey

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# Dialogue Research

1457 Clifford Street, Victoria, British Columbia, V8S 1M1

## BC Transit Independent Review Panel

Funding Partner Survey - Summary Report and Methods

Prepared for: Tom Lee Management Consultants (TLMC)  
July 2012

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## Background

The BC Independent Review Panel's terms-of-reference include a mandate to provide a profile of government-funding partner attitudes towards BC Transit in relation to four (4) main areas of concern:

- Operations & Performance
- Governance
- Funding relationships
- Consultation and communication processes

## Survey Target Population – BC Transit local government-funding partners.

The BC Transit Independent Review Panel provided Dialogue Research with a list of 57 BC Transit local area government partner organizations for the purposes of this survey. The individuals targeted for this survey are the Chief Administrative Officer or equivalent for each partner organization.

## Contact Information and Survey Invitations

This is a census survey as all organizations of interest were invited to provide feedback through the survey. CivicInfo BC was provided with the BC Independent Review Panel list of partner organizations in order to obtain required contact information for each organization. CivicInfo BC maintains their contact list in support of work it does for BC's UBCM. Respondents were invited by email to provide feedback using a web hosted survey. Email and telephone reminders were used to encourage participation.

## Survey Content (Questions)

Dialogue Research prepared and pre-tested the survey questions. Survey validity was established by working with content experts (feedback from project manager and panel). The survey questions were developed with two primary objectives in mind: 1) to obtain quantitative measures (i.e. percent agreement) on feedback the Panel had received during meetings or through written submissions; and, 2) provide opportunity for partner organizations to provide additional qualitative feedback should their attitudes and opinions vary from what the Panel had been hearing through written submissions and meetings. The quantitative measures enables the Panel to discern the degree to which views they were hearing expressed are shared by all partner organizations; while the qualitative feedback ensures organizations had opportunity to express views not already conveyed through written submissions or meetings. Cognitive interviews with two CAO's from the target survey population were used to test understanding of question wording, appropriateness of response scales and adequacy of survey content.

## Data Collection, Processing and Response Rate

Data collection of the survey took place over a 14-day period between June 6<sup>th</sup> and June 19, 2012. The survey was left open until June 27<sup>th</sup> to accommodate two later submissions. One organization indicated they would not provide feedback as their community would not be providing public transportation due to costs of operation. A total of 47 of 57 organizations invited to complete the survey, provided feedback (an 82% response rate). A list of participating organizations is provided in the Appendix B. Dialogue Research provided all data processing services for this survey.

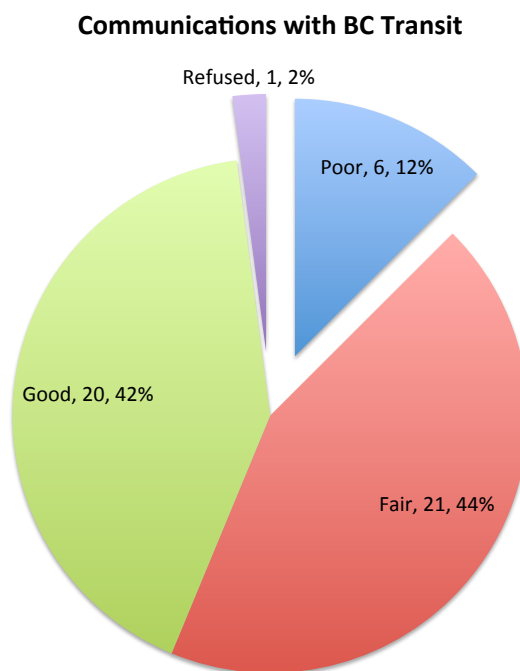


## Analysis & Reporting

Dialogue Research provided this report of charts summarizing frequency responses to questions and verbatim responses to all open-ended comments/questions. Additionally, a Chi Square test of association was done comparing type transit system to key overall rating of BC Transit (Overall Communications, Overall Value for Money, Overall Relationship) as well as a question asking funding partners if they had an appropriate level of involvement in decisions being made by BC Transit that impacted their organization (see appendix C). Interpretation of results, conclusions and recommendations based on these results are the sole responsibility of the client.

**Note** - Sampling methodology was determined inappropriate for the target population given its size of n=56 and the Panel's goal to provide each local government funding partner an opportunity to provide feedback. Consequently, it is inappropriate to use statistical margin of error and confidence level measures in association with these survey results. Factors such as response rate and homogeneity of responses to questions will ultimately determine how representative the results are for this study population. For example as response rates reach 100% then the results can be said to be representative of the population. This survey's 85% response rate suggests that these results will provide a very good representation for the total study population's attitudes and opinions. Moreover, where there is a high level of agreement on questions the reader can have additional confidence that the results are highly representative. For example, if 99% of respondents said, "Yes" and 1% said "No," to a question the chances of error are remote, irrespective of the number of people providing feedback. However, if the percentages are 51% and 49% the chances of error are much greater. It is easier to be sure of extreme answers than of middle-of-the-road ones.

**Chart 1:** How would you characterize the overall communications between BC Transit and your organization, would you say it is poor, fair, or good?



## Comments on communications

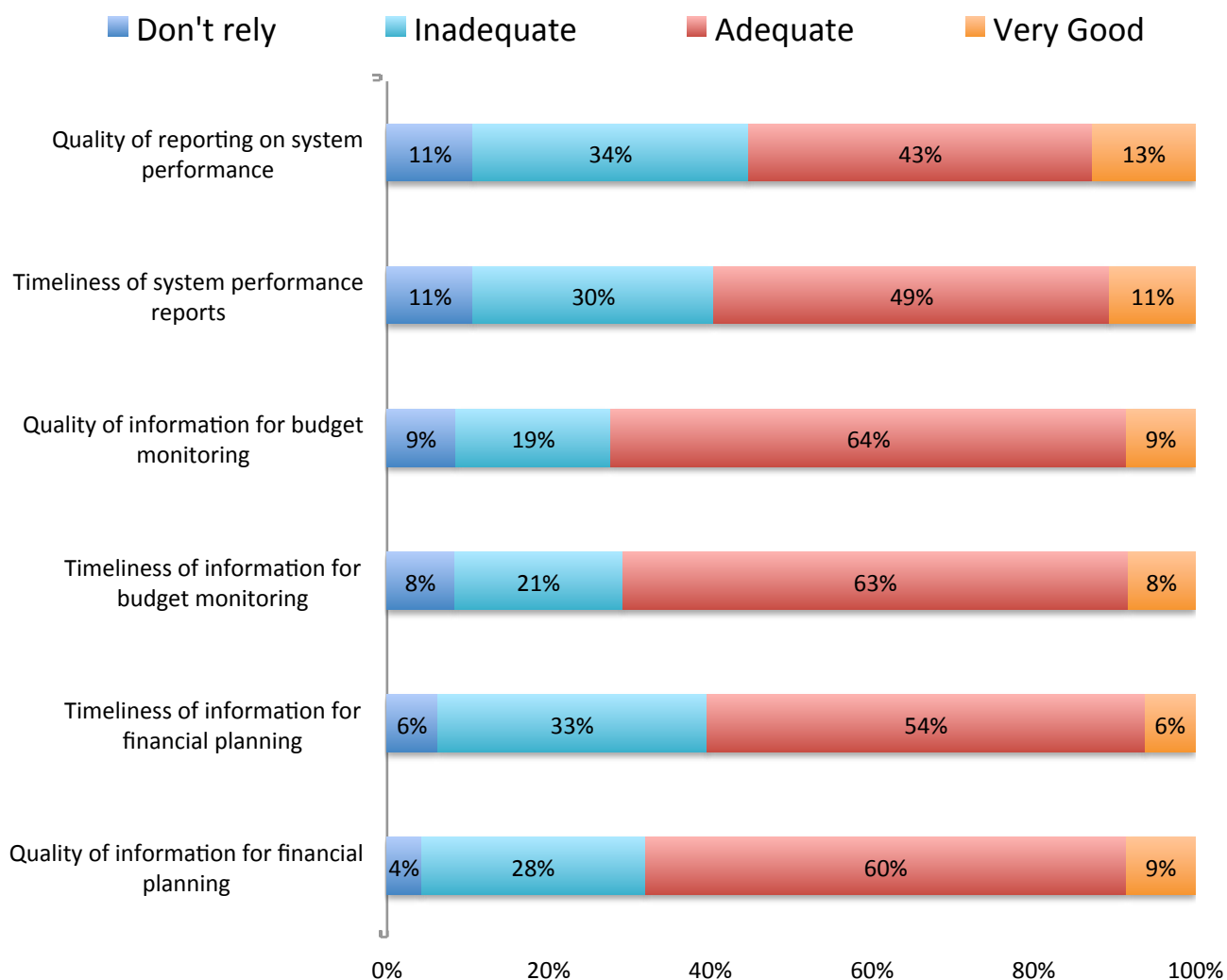
- This has improved substantially over the past 2 years due to having a dedicated RTM. The 3 year forecasts were also a good step forward.
- The multi-year budget projections are helpful but BC Transit's fiscal budget cycle vs. our municipal annual budget cycle is a challenge.
- It has improved significantly over the past few years. We still don't believe that our concerns about cost increases are properly appreciated and addressed.
- BC Transit will on occasion appear [SUPPRESSED<sup>1</sup>] to update Directors on the status of BC Transit's strategic projects such as the [SUPPRESSED]. Furthermore [WE HAVE] participated in these initiatives in a supporting role by providing background information and analyses. However [WE HAVE] no authority over, and very little input into, public transit planning and investment decisions which have the potential to significantly impact regional transportation and development patterns. While the BC Transit Act indicates that one of the purposes of the authority is to support Regional Growth Strategies, consultation on transit service plans, long range strategies and capital projects is not adequate.
- BC Transit has made improvements over the years and their level of communication is much better than in the past. Further improvements are required for timely communication of budget information including forecasting and vehicle replacement. More speedy and reliable answers to questions during local government budget processes are also required.
- Information related to some capital projects is insufficient for our organization to accurately budget. For example, the fare box program had inadequate information to allow us to properly budget for its implementation.
- Several years ago we would have responded differently. From the mid-2000's to about 2008, communication was moving towards poor. From 2009 on with the new CAO, we have noticed significant and continuous improvement at BC Transit. The [SUPPRESSED] Transit Service review in 2011 was a milestone for improving communication and understanding. BC Transit staff – especially senior staff – better understand the needs of and process for making decisions within Local Government. [SUPPRESSED] was able to have many questions about the system service and finances answered. [SUPPRESSED] staff have dealing with the transit file has been working with BC Transit since late 2000. [SUPPRESSED] has been fortunate to have worked with many great, committed BC Transit staff over the years. [SUPPRESSED] believes that more recently the timeliness of certain communication is related to workload. It is also important to note that the Enterprise Investment Initiative (EII) program is going a long way to improve communication and understanding of the needs and gaps in providing information to all parts of the transit enterprise. The key point to emphasize is that overall communications are improving!
- The real data we need has to be dragged out of our one contact point.
- We would request earlier, cooperative, lateral communication as opposed to top-down communication from BC Transit. Often BC Transit requests decisions to be made without adequate prior explanation or notice to staff.
- We have a three way communications protocol due to Society Involvement
- Communication can take up to 1 week - 24 to 48 hours would be preferred.
- Things have been proceeding quite well here, so there has been little need for greater communication.

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<sup>1</sup> Square brackets are used to show where text has been replaced or removed to protect the identity of a respondent.

- Usually we initiate any conversation other than mass information
- As a smaller system, it's sometimes difficult to get consistent levels of attention, but BC Transit has been working hard at trying to address these issues.
- My concerns regarding BC Transit communications are: There is not a clear understanding of roles, i.e. what should the municipalities and BC Transit each be responsible for. A detailed list of typical day-to-day running of a transit system should be listed. BCT has created 'lead' people for each transit system in BC. In principal this should work but from my perspective that person needs to be more knowledgeable of the local transit system, needs, budget concerns, etc. In essence they should be like a quasi employee of the local transit area and have our interests as priority number one. As it is now I believe the contact has a desire to do this but does not seem to have the resources available to him to allocate the time it requires. - Need more cost/benefit analysis of bus routes and efficiency reviews, i.e. what routes have good/poor ridership and what should be changed to make it better. - Need more timely response to transit related requests. Currently we have a request in to BCT which is about 6 months old and could likely be answered within a few days. - It appears that BCT is a large bureaucracy where a small business model is needed since most of the systems are relatively small.
- The overall communications are improving; there has been a noticeable improvement over the last two years. There is still room for improvement.
- Communication has improved with Region Manager contact person we have been assigned. Prior to that, communications were poor.
- [REMOVED] is doing a great job working with us on a transit review.
- Good on the financial side - more on the fair on the planning side although that trend is now changing.
- Issue covered in detail in briefing note presented to BC Transit Independent Review Panel
- The communications between staff and the RTM for BCT has been good. Staff have commented that they do not feel that the RTM receives enough or timely support on their end. Most dealing are either directly thru or include the RTM. Recently staff have worked closely with BCT on a Transit Futures Plan. This process was very good and interest and support of BCT long range planner and RTM was great in this project
- It has improved. Good communication with the Regional Transit Manager but still feel left out of decisions on fleet and new initiative that have budget implications.
- Had a very good relationship with [REMOVED] and felt well informed/consulted on key issues. Relationship remains strong with new leadership at BC Transit.
- In general the communications are good, but the specific info we require needs improving (ie budget details and cost estimates that are more up to date and in line with Municipal budget time lines and explanatory notes with monthly invoices that have large deviations). Communication with BCT's RTN and other management is good.
- We have established a very good line of communications
- It used to be good, then it was poor but now it is better...still not good.
- Better in the past year.
- We have no contact with BC Transit unless it is initiated by us. When we do call, a response is not timely and often it's just a negative response.

**Chart 2:** For each of the following, would you say that the information received from BC Transit is inadequate, adequate or very good? Answer based on what you believe your organization's desired quality and timeliness of information from BC Transit to be.



## Comments on BC Transit Information

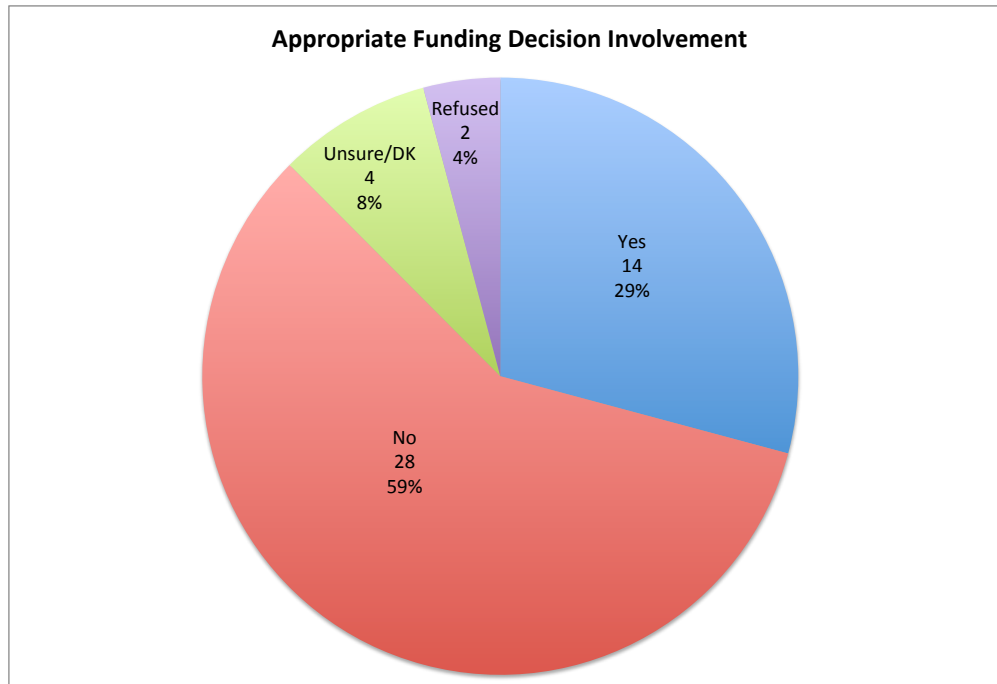
- The multi-year budget projections are helpful but BC Transit's fiscal budget cycle vs. our municipal annual budget cycle is a challenge.
- Basically, we get their proposed budget for the year and factor in the cost they say they will bill us. it is pretty straightforward. Again, we think that their cost increases are excessive, particularly for administration.
- BC Transit financial and performance reports are not presented to [SUPPRESSED] for review and comment by representatives from all local governments. The [SUPPRESSED] consists of representatives from only [SOME] local governments in the service area. Decisions on service, fares

and taxes are being made for communities without direct representation on the body making these decisions. Further, [SUPPRESSED] approval or disapproval of BC Transit budgets, service plans and capital expenditures is not final. Final decisions rest with the BC Transit Board acting on [OUR] recommendations meaning [WE] act in more of an advisory role instead of having any real authority over public transit service in the region. BC Transit has not prepared a multi-year financial plan that coincides with [OUR] 5 year financial planning requirements.

- BC Transit has made changes over the years that has greatly improved the quality and timeliness of information for financial planning; however, there is definite room for improvement. Local government budget deadlines differ significantly from BC Transit's budget timeline which makes it difficult to get the information we need from them at the time we need it.
- Generally, the quality of system performance is adequate, however, BC Transit sometimes has difficulty in being objective in its reporting with an inadequate understanding of local government budgeting and geographic constraints.
- Because BC Transit operates on the Provincial fiscal year, the default period for BC Transit's standard reporting, financial planning, budgeting is April 1 to March 31. Municipalities are legislated to operate on a calendar year. This is inadequate from a Local Partner point of view. BC Transit has historically been focused on financial reporting of financial key performance indicators. Due to the influx of complaints received locally, [WE] were pressing for system performance information from a passenger's point of view. BC Transit was slow to respond to this request. [SUPPRESSED] Service Standard Measures [SUPPRESSED] is evolving and is now being reported on annually at best using the BC Transit fiscal year. BC Transit is looking at ways to standardize and automate data collection and reporting. BC Transit has recently produced three year draft budgets (One-year budget with 2 year forecasts). This is good first step. BC Transit's goal was to get the information to the communities in the fall. In 2011, we received the information at the end of October. Now that the first three year budget has been done, we hope to receive this information in September or early October to better fit our budget cycles and move from Adequate to Very Good. Because of financial system and accrual accounting, BC Transit tends to be three months off with budget to actuals monitoring. It becomes more accurate towards November, December but by that time we have already reached the Local Government year end. It would be ideal to have quarterly invoicing that reflects actual costs instead of just budgeted costs. This would also help with year the different year ends.
- No options for 'not applicable' so have used 'inadequate' because we do rely on BCT to provide the information
- Items in the Master Operating Agreement establishing BC Transit's responsibility to conduct service audits are not being honoured. Revenue and Ridership reports identify general trends but more specific information would be helpful (for example, route-specific information to identify high and low demand areas and revenue generation information to establish a more realistic allocation of revenue between local funding partners) Need better and earlier consultation with budgets (current & forecasted), especially regarding increases BC Transit needs to provide historic information on cost increases to evaluate system performance, past trends and set future targets
- We appreciate reports provided but sometimes need more detail relevant to our ability to analyze local needs
- Local government budgets are prepared in summer of the year preceding. BCT budget information must be sent out in July to be of most use.
- Schedule C of the AOA - very difficult to interpret Different fiscal year ends confuse issues

- For budgeting purposes, we require some greater detail on how the costs are arrived at for extra services. That was not clear and when I requested a budget without the extra services for comparison purposes, it was not provided.
- Good ridership data is delivered in a timely way by the Operating Company and its subcontractor. The farebox ridership/financial data that comes from BC Transit has not been timely or accurate in the past - the jury is still out on changes to improve that process. In the past, the timing of budget information for AOAs has been an issue. The introduction of 3 year budgets for planning purposes represents a quantum leap forward, although having to make adjustments for Provincial vs. Local Gov't fiscal years is still an issue.
- We see general ridership statistic reports but I would not categorize these as performance reports. Performance reports should include items such as ridership per hour by route. This would help us decide where transit is most used and where service should be reduced/increased. It would be helpful if financial plans were in the form of annual budgets rather than fiscal since all municipalities have annual budgets.
- We are pleased with the information rec'd and in particular the 3 year budgets.
- The information is much better than two years ago, but it is still not quite good enough yet.
- System has improved with info now being made available in the Fall when budget planning begins - however, changes sometimes occur and we have a different year end than does BCTransit making it more difficult to budget.
- Issue covered in detail in briefing note presented to BC Transit Independent Review Panel We tend to not rely on the information from BC Transit as it is often equivalencies as opposed to actual data on system performance and there are often errors in the performance data.
- the quality of the reports/info requested is generally "usable" to good. The timeliness varies. It goes back to the support of the RTM as her request for support from BCT are timely...
- I believe that BC Transit is improving in their provision of financial information and budgets however there are still some delays in the delivery timelines.
- Normal situation with our fiscal year legislated to be calendar year, while Bc Govt, BC Transit, etc operate off the April-March fiscal
- Some problems are the result of the calendar year vs the BC Transit April-March year. There is also a lag resulting from processing delays.
- Three year budget planning is an improvement
- Year ends are not synced so therefore getting timely budget information for our budget (calendar year) has been a challenge in the past.

**Chart 3:** Thinking about your organization's funding contribution do you have an appropriate level of involvement in decisions BC Transit makes that impact your budget?



## Comments on funding decision involvement

- We had to replace all of our buses a couple years back which had a large financial impact on our budgets. These were not properly anticipated, which was a combined responsibility of city staff and BCT staff. We ended up having to make after the fact transit changes that should have been considered as part of the decision to go to the new busses. Since this time there has been very good support from BCT to help [US] adjust their system to meet transit goals as well as keeping it financially viable.
- Our level of involvement seems to be improving especially since we are currently participating in a service review of our transit system.
- I think that they should be re-engineering their organization and cutting their costs. Municipalities have consistently been reducing their costs over the past few years. This year, even the RCMP got the message and has been reducing their operational costs.
- Two thirds of the funding for the Victoria Regional Transit System comes from local sources such as fares, and property and fuel taxes. Not all local governments in the [AREA] can review and comment on how this revenue will be allocated. Transit service planning and operational decisions which affect regional and local transportation systems and budgets are made outside the authority of the Board and municipal councils.
- Historically, the negotiations of AOA agreement are one-way negotiations with little opportunity for local government to have meaningful input into the cost sharing relationship.
- We suggest that a Provincial Local Partner Management Advisory Group be formed that reports to the Board so that the BC Transit Board has direct access to the Local Partner practitioners when making



decisions. Feel free to contact us if you would like more details on the concept. We see three categories of decisions: capital, operating and selection of the operating committee. With Capital - BC Transit makes the final decisions on Capital projects and Selection of the operating company with input from the local partner even though the local partner is responsible for 53% of the cost. We feel we should be more directly involved in the capital decisions as well as the selection and cost negotiations with the operating company. Operating related to service levels and fares the local government is empowered but still must rely on good advice from the BC Transit experts.

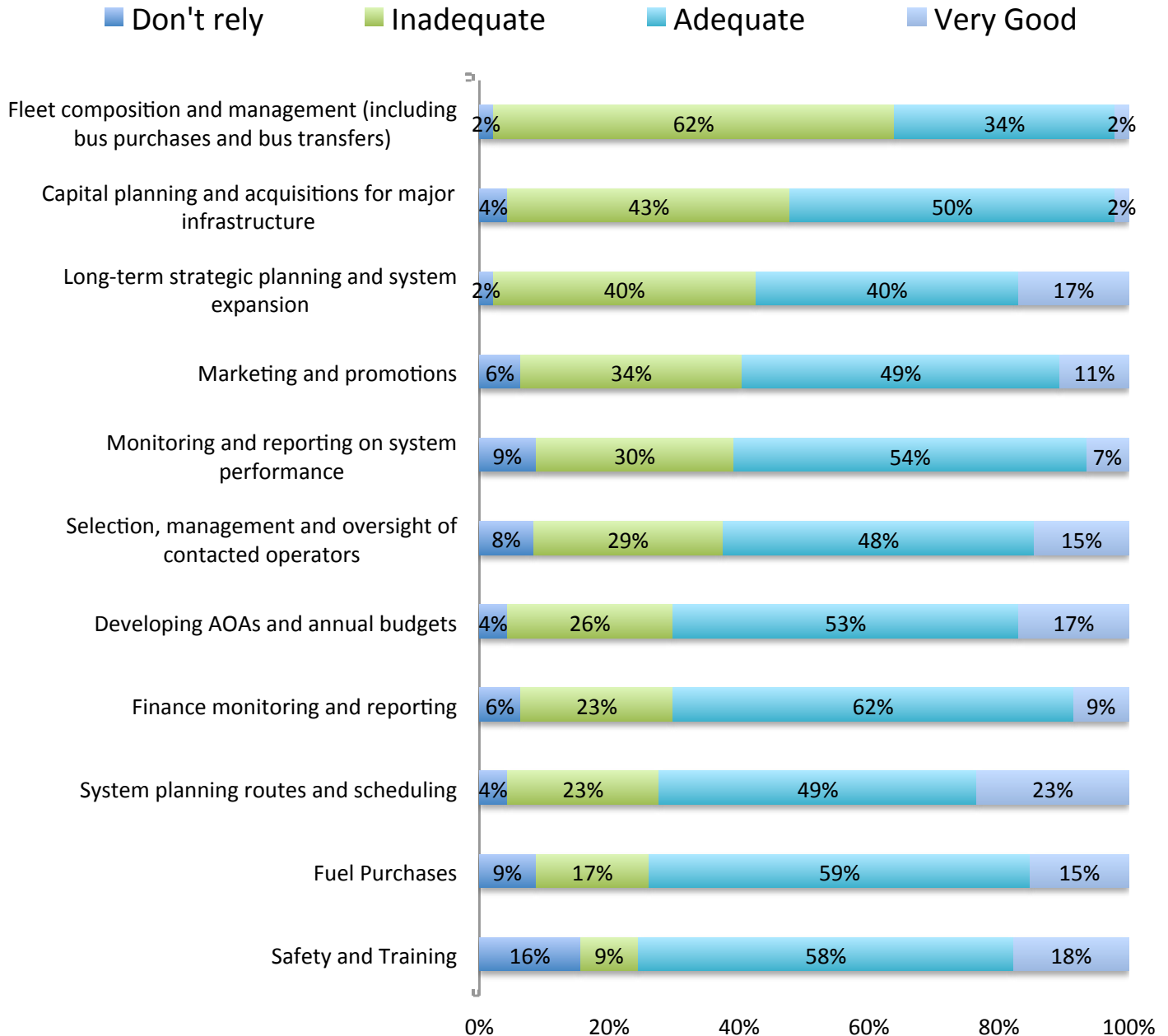
- No involvement in decision making for a new [SUPPRESSED]
- Decisions regarding transit which have financial implications to the City are often made by BC Transit and offered to local partners as information without expectations of feedback.
- Provincial Standards are sometimes difficult to impose locally
- I believe that we do. However, we do not have control over is the infrastructure itself... Replacement buses, # of buses need, back up buses, etc. Each year there are budget surprises that we were either not aware of or do not have a say in.
- I suggest BCT visit and present to each local partner Council or Board each year to improve relationship and lay ground work for future changes.
- We have a unique funding arrangement through our local [SUPPRESSED] so most of the budgeting issues are not as relevant to our organization as they may be to other local governments.
- This is a qualified "yes". As a smaller Tier 3 system, the [SUPPRESSED] is understandably tied in to the Tier 1 system in [SUPPRESSED]. In the past, little attention was paid to the separate requirements of the [SUPPRESSED]. While it has not always been an easy process, BC Transit has been listening and assisting us over the past few years in implementing changes to the means by which the service was delivered, resulting in maximizing our efficiencies to the extent possible. However, consideration of alternate vehicles for delivery of regional intercity service remains a stumbling block.
- The simple answer is that we do not have any involvement in budget decisions of BC Transit. An example was when the farebox system was implemented we were not consulted prior to implementation. The issue of farebox may have been raised but we were not told what the impact on the budget would be and therefore we did not have meaningful consultation. Another example was when it was decided that major bus repairs would be incorporated into the capital plan; there was no meaningful consultation on budget impacts. It was actually noted that it would save us money but in actual fact the budget increased after that was done. I suggest a memorandum of understanding be created listing how we will interact with each other on various decision points.
- We have involvement in service reviews periodically, we have involvement in issues such as route /schedule changes, and if we are willing to accept available service hours.
- Things have improved steadily
- The annual commitment of funds is substantial for our municipality - it is difficult to set an amount we can afford and have BC Transit deliver within that amount. It may be that what we are willing to pay/afford and what can be realistically delivered cannot coincide in a workable transit system.
- Have been good about changes to the system without impacting expense.
- Issue covered in detail in briefing note presented to BC Transit Independent Review Panel. We have a concern that BC transit doesn't respect the level of funding we provide and it is not reflected in the



branding of the service. Very little mention of the partners in communications, focus on BCT. No involvement by [SUPPRESSED] in decisions by BCT that impact [SUPPRESSED] directly.

- We rely on BCT heavily in this process (because this is the way it has always been). The Master Operating Agreement comes thru BCT and we "live with that" for the term. The fluctuations in fuel prices and debt servicing yearly create challenges during our budget period, and usually need to be defended, even though transit services are important in the community
- The majority of the funding comes from the local community (fares and Local Government share) but we are treated as the junior partner. Beyond communication we want a full say in what happen in our system.
- We have identified our interest, and the RTM meets regularly with Council to discuss what is being looked at and how it might impact service delivery or costing
- No input into capital planning.
- Would prefer to have more knowledge of when major vehicle repairs or renos are being planned and recommended, especially since BCT's budget year is not the same as local government. i.e. with a major repair suggested for BCT 12/13, local government may wish to have it done either in Dec 2012 or delayed until early 2013. Local government makes many decisions based on remaining budget funding and to have input into the flexibility of when the expense occurs is important.
- Transit is now consulting with local government, however, this consultation is more selling a decision which has already been made
- Where we want more service, and are willing to pay our share for more service, we aren't able to get BC Transit participation.
- Major discrepancy in terms of what is funded versus what we pay, choice of vehicles and being forced to accept sub par replacements, lack of consistent funding.
- We have asked for expansion of the services for our community and have not progressed over the last 10 years. We are prepared to commit additional resources but receive only lip service from BC Transit.

**Chart 4:** Would you describe your organization's involvement in the following decisions as being at a level that is inadequate, adequate or very good? Please answer based on what you believe your organization's desired level of involvement to be.

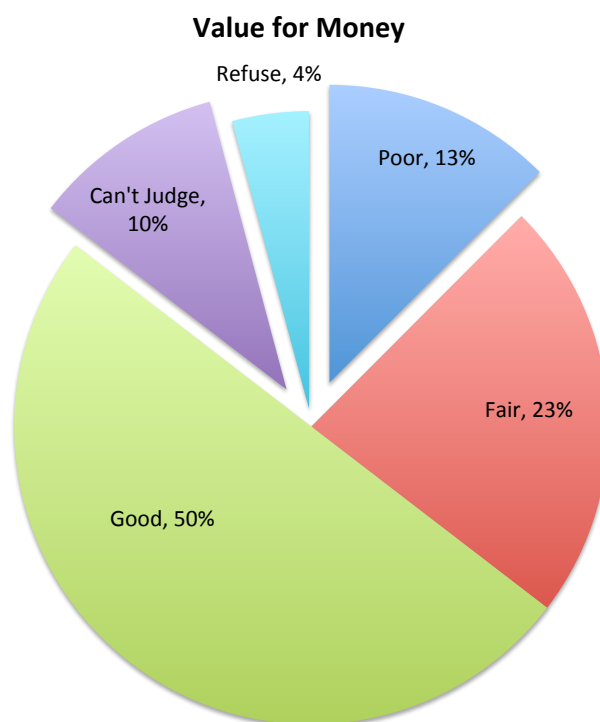


## Comments on involvement in BC Transit decision's that impact our organization

- Our level of involvement seems to be improving especially since we are currently participating in a service review of our transit system.
- We have had excellent service over the past 2 years in reviewing the City [SUPPRESSED] routes, fleet and developing a regional model.
- [SUPPRESSED]. I think that we are not getting good value for the money from BC Transit. We should have the ability to opt out of BC Transit but still get the government contribution towards our local transit system.
- The monitoring of system performance and service planning relate directly to the region's financial and strategic priorities. As such they require Board oversight so they conform to and align with the [SUPPRESSED] budget processes, and most importantly the sustainable vision and goals of the Regional Growth Strategy.
- With capital planning and acquisitions of infrastructure and fleet; selection, management and oversight of the contracted operator, we feel our involvement is inadequate. With Fuel purchase, finance monitoring, safety and training and monitoring and reporting on system performance, we do not wish to be involved at this time but we also don't have the option to be involved. In the other categories, our level of involvement is improving.
- Timeliness and lack of background information and reasoning are the primary problems
- The two areas that were given inadequate are areas that we (as municipalities) have no control over. Most times, we are told that an item is coming, or a replacement is needed. It is not planned.
- Marketing and safety are areas where our local government has little ability, as a result we rely heavily on BCT.
- [SUPPRESSED] needs low floor buses - still waiting
- I have been responsible for transit for the past year for the [SUPPRESSED] and haven't seen any reports on System Performance. Marketing and Promotions, when we have been working on receiving signs etc, it takes a long time to get any information or responses For Finance Monitoring I have only received the budget to actual information with the monthly invoice. We have had issues receiving Bus Pass Revenues. The difference between our year end and transit's year end causes some issues, as we could use more reporting at December 31 for our year end process.
- The responses above under "Adequate" are based on perceived improvements as a result of recent changes at BC Transit over the past year. As previously noted, the jury is still out on some of these changes and whether BC Transit will have the human and financial resources necessary to effect positive change in all these areas for all the transit systems they manage. Re. marketing and promotions, this area needs a substantially higher spend and some sharing with Local Government of the authority to spend.
- BCT has a system of transferring buses between systems but it's unclear how they decide which buses to transfer and how it benefits the local system. I have a hunch we are subsidizing systems such as Kelowna or northern communities where salt causes quicker rusting of buses but who's buses are transferred to our system after a 3 or 4 years without any financial benefit to us.
- Annual budgets and AOA's would not be an issue if we were one system operating as a standalone operation. We routinely need to have our rtm amend the aoa to reflect our local structure.
- Monitoring of system performance needs enhancement
- Involvement in planning and scheduling is a recent improvement.

- Issues covered in detail in briefing note presented to BC Transit Independent Review Panel Involvement in strategic planning is inadequate in that [WE ARE] involved but it is felt that how we are involved is not appropriate in that [WE TAKE THE] lead because BCT's lack of skill, creativity and knowledge of community. With respect to oversight of contract, [WE ARE] playing larger role because don't feel that BCT is fulfilling role, have direct contact with operator and taxi provider to get issues addressed in a timely manner.
- In every case where there is an alleged safety violation (either reported to us or directly to BC Transit), the operators' safety officers meet with City staff to review the complaint and later to advise as to the resolution. We had conversations at a Council to TRM level and at a staff to TRM level regarding proposed new bus purchases, and identified our willingness to accept one or more of the new models.
- For the 2nd point above - we have only had very limited discussion on an operational facility a while ago but the latest direction due to the huge cost is apparently to not look at a BCT owned facility. We are unaware of other capital infrastructure aspects. With respect to selection of operating company - we will apparently be involved with an upcoming RFP, and I am not aware if we are asked for our comments or are surveyed about our current operators performance. Regarding fleet composition and bus transfer - I do not recall being asked about how we feel about the make up or performance of our fleet (mostly Dennis Darts). Regarding fuel purchases, we have not been consulted on what options are preferred.
- Service review was promised, and then delayed for many years. We had to push hard, and now a review is in progress. Long-term management of the fleet has been very poor as decisions are not practicable and mandatory. The Dennis Dart maintenance problems have been ignored.

**Chart 5:** Overall, do you receive poor, fair, or good value for money regarding the services you receive from BC Transit?

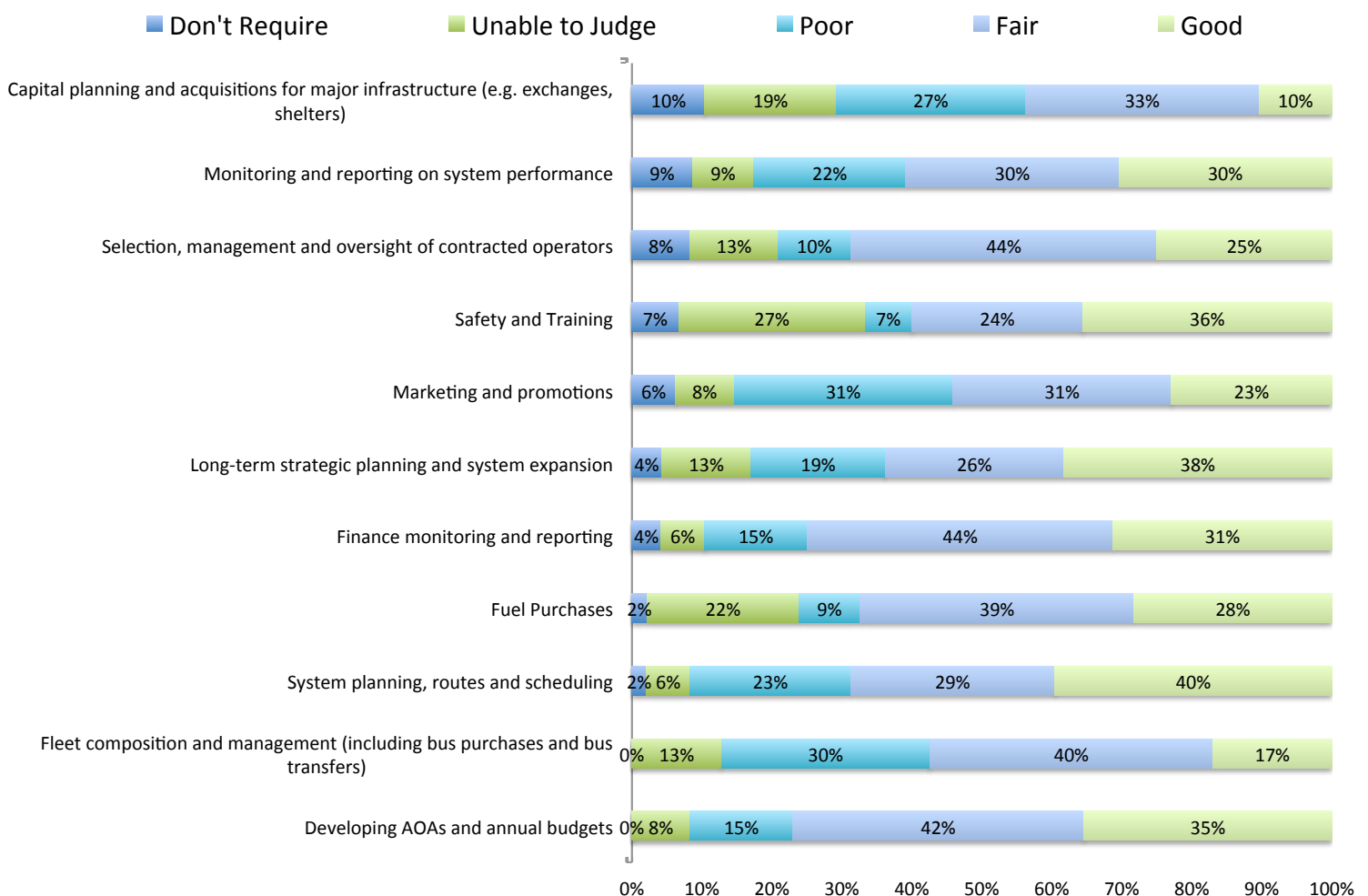


## Comments on overall value for money

- Local governments have no authority to effect compliance of BC Transit service and long range plans with Regional and Municipal goals and priorities and may not receive good value for their money under the current governance model. A contractual relationship between the CRD as the public transit authority and BC Transit as the service operator and provider would be a more appropriate model for monitoring, measuring and determining value for money.
- For the services actually received from BC Transit, there is fair value. However, for those local governments that provides services directly without BC Transit assistance there is no corresponding reduction in costs to reflect this relationship.
- We have had excellent service over the past 2 years in reviewing [OUR] routes, fleet and developing a regional model.
- We believe BC Transit is an organization that offers valuable professional planning and oversight of our transit system. Post [SUPPRESSED], the [SUPPRESSED] Transit System has received good value for money. Pre [SUPPRESSED] the local [SUPPRESSED] Transit System felt neglected like many other systems across the province. We believe that part of this was due to the fact that BC Transit was putting a large portion of its limited resources into the Olympic games effort and thus the local system services suffered. All that being said, BC Transit put a huge effort into planning and delivering an excellent transit system for games time [SUPPRESSED] at no extra cost to the local communities.
- It is difficult to know the value of what BCT provides given we don't have anything to compare it to (e.g. other transit companies). For example, having the manager of this region flying to the area every week from Victoria is likely not the most efficient.
- We feel that we subsidize regions too much
- Again, we have a somewhat unique arrangement with our [SUPPRESSED]. In our experience, we consider that we receive very good value for money. Our partner - [SUPPRESSED], has much more direct input into planning.
- Compared to other jurisdictions in Canada, we appear to be getting good value from BC Transit.
- Right now we get great value for money because of the contribution by [SUPPRESSED]. This question may be better answered when the system is expanded and there is less of a [SUPPRESSED] contribution.
- Issue covered in detail in briefing note presented to BC Transit Independent Review Panel. We are told by BCT that we are getting a great deal and excellent service in this model but don't know. We have nothing to compare values in service delivery to, difficult to answer without more analysis but our overall feeling is that it is not good value for money due to issues related to BCT overall performance.
- For years the BC Transit charge for their services was 3% of budget. It is now much higher and can go to 8%. The Municipal Admin. charge has remained at 2%. For a small system that is not changing we pay a lot of money for the services we receive.
- We view our relationship with BC Transit as a partnership ( a three way partnership, actually, between BC Transit, the operating company, and ourselves), so we see services from BC Transit as partnership contributions, and judge value on whether the partnership is successfully delivering the service our citizens desire.

- We appreciate the provincial funding but not the lack of control or influence over our system. We also feel the Provincial "one size fits all" mandate does not fit our local system. For example, transit users in small, rural systems take the bus because they have to (a social service) while many in the lower mainland take transit because it is the right thing to do (green service).
- We have no control over the level of service to be offered within our jurisdiction.
- They are not addressing the community's need for additional transit. There should be greater integration of transit services in the Okanagan Valley. Perhaps BC Transit is not capable of achieving this and we need to look at a new organization such as an Okanagan Valley Transit Authority.

**Chart 6:** Please indicate the value for money you feel is received for each of the following services BC Transit provides to your organization.

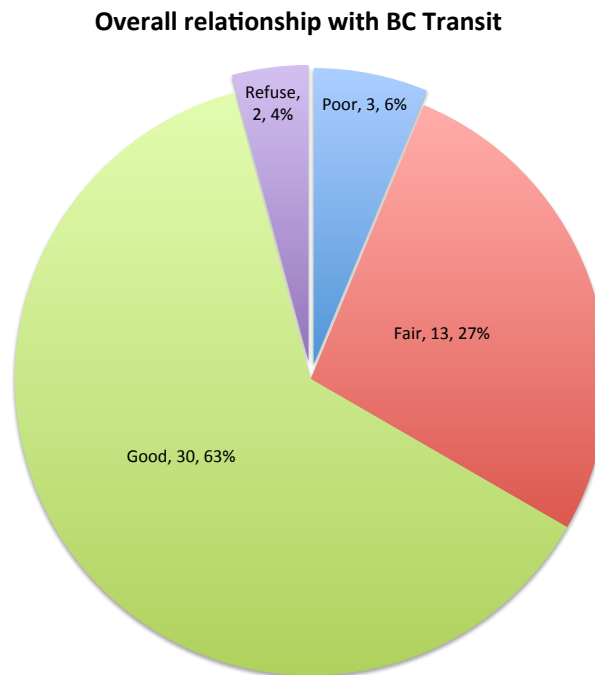


## Comments on value for money

- Our ability to judge value for money will improve after completion and implementation of the service review of our transit system.
- We need BCT to bring some marketing expertise to the smaller rural systems, we have a local transit group that has come up with a number of good ideas on how to increase ridership, we need expertise at the BCT level. We feel that BCT can do better on fuel purchasing if they were given additional tools to work with eg BC Ferries to hedge fuel process.
- We do not receive valuable information from BC Transit on system performance. [OUR] statistics are combined with public transit statistics resulting in unusable information.
- Long-term strategic planning –[SUPPRESSED] had to hire a consultant to produce a long-term strategic plan for transit as BC Transit didn't have the resources to meet our needs. The 2011 [SUPPRESSED] Transit Service review is a good start to setting the base for long-term planning and expansions in the future. Poor capital planning for [SUPPRESSED] has been one of the major issues that has put us into the difficult situation we're in today with increased costs and the [SUPPRESSED]% service cut. The planning leading up to the [SUPPRESSED] decisions was an exercise in misinformation. We feel that BC Transit has learned from our unfortunate situation and is improving their planning and acquisition processes across the province. See comment above regarding Selection, management and oversight of contracted operators. We feel we should have more say. Oversight of the contracted operator has been improving over the past few years. With respect to Fleet composition and management, we disagree with some of BC Transit's decisions. With monitoring and reporting, we would like to see this done on the calendar year and we would like to see it more than once per year in August.
- Management from Victoria does not lend to knowing and understanding the issues in the more rural areas.
- There needs to be more safety and customer service training for drivers; currently drivers have indicated that there is little safety training and no customer service training.
- System performance reporting is currently at a low point. We are hopeful that the new GFI fare boxes will result in significantly improved system performance reporting.
- Again, the "Good Value" responses are based on perceived changes. On Fleet composition, 1 size does not fit all, and Local Governments need more options for dealing with off-peak service demands. The alternative to smaller buses for off-peak service is to spend substantially more to get riders to fill up the excess capacity on full size buses. The poor value on Marketing and Promotions is not intended to be a reflection on the BC Transit staff in that department, but rather the lack of budget associated with the issue.
- As contact person with many other responsibilities, I am dealing with Transit off the corner of my desk.
- Issue covered in detail in briefing note presented to BC Transit Independent Review Panel
- Our system is static therefore no long term planning or capital planning needed. Excluding the fleet side we get good services but the cost escalations for BC Transit services have increased dramatically since the time it was set at 3%.
- We have not fully explored the opportunities in marketing and promotions, and will make this a focus in subsequent years
- We are accountable to taxpayers and do not appreciate capital costs being forced on us when they appear to be far higher than market and that the rationale used is not applied on a case by case basis. We are not getting the BCT fleet discount for fuel.

- [WE HAVE] been requesting an upgrade in service between [SUPPRESSED] and [SUPPRESSED] for several years. We weren't able to get BC Transit's attention. When they did do a transit study on their hubs, [WE] had to pay separately for the [SUPPRESSED] perimeter study. It has taken at least 5 years to get on the list for a regional master plan.

**Chart 7:** Overall, would you say your relationship with BC Transit is poor, fair or good?



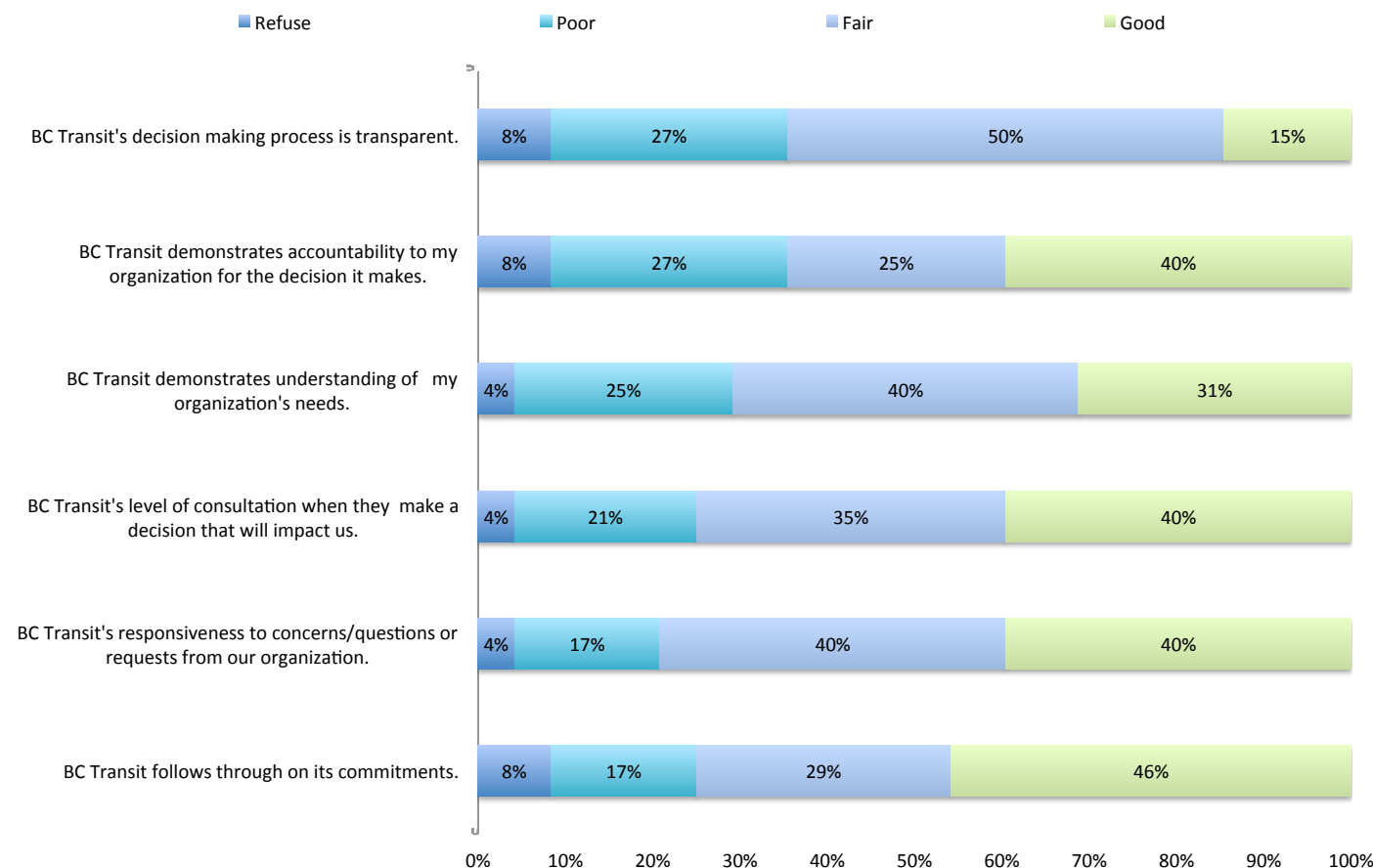
## Comments on overall relationship with BC Transit

- Our city is currently undergoing a Transit Review. We have waited about 1 1/2 years for it to begin. Finally Transit says lets start it late this spring. We met with them and asked that they wait to the fall as we are very busy at this point in time. After all, we have waited a long time and a few more months would not make much of difference to us. However, the Transit Manager refused and scheduled the first public meetings this spring. This would have been fine, except that we are now having to have had to help them out in organizing the meetings. (i.e. finding locations, sourcing equipment, identifying who they should contact).
- The [SUPPRESSED] Transit System Service, Financial and Facility Reviews have gone a long way to repair the relationship and have both BC Transit and the [SUPPRESSED] understand each other. BC Transit has always been able to attract good people that understand the importance of a functioning relationship with the partners.
- Transit projects and work seems to suffer because of how busy BC Transit employees are; they can be late responding to inquiries or not respond at all, and slow to complete work. However, once BC Transit Staff are focused on an issue, the working relationship with them is cooperative, productive and pleasant.
- The relationship with BC Transit staff is good; however, the resources at their disposal to keep up with our needs has been lacking - they appear to be stretched too thin.



- We feel we have open lines of communication for our issues.
- Varies between departments within BC Transit.
- Current BC Transit Regional Manager is responsive and good to work with.
- Good relationship with Regional Transit Manager but disconnect between needs of our small static system and the provincially driven direction of BC Transit.
- But I wish to add that our relationship is improving.
- We have [NAME] and [NAME] on speed as well as the local manager of the operating company. We talk frequently and share the same goals around service delivery. I've got internal departments where I don't have as good a relationship as I do with BC Transit
- Staff has a good working relationship with BCT. This may not be the case with some elected officials.
- To local governments, the face of BC Transit is the RTM's and although overtaxed, they are doing a reasonable job. They have no authority over the decisions though, and this is frustrating for us.
- We just have very little contact.
- We have received excellent service from our RTM over the past 2 years, continuity is very important here and RTM should not be moved around. Also BCT Senior Mgmt have taken the time to come to [US] to understand our situation and have been willing to work with us.

**Chart 8:** In each of the following areas is your relationship with BC Transit best described as poor, fair, or good?



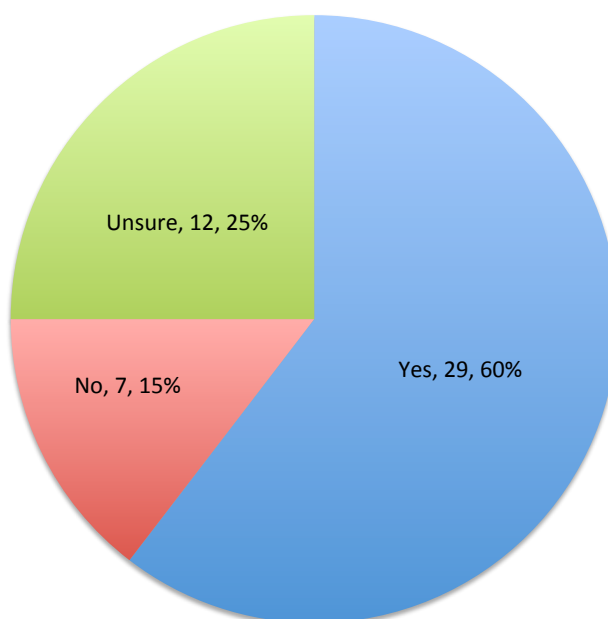
## Comments on relationship with BC Transit

- The level of responsiveness from BC Transit is dependent upon which department we are working with. Our relationship with regional managers has always been good.
- See comments above. There are still improvements that could be made on level of consultation and usefulness of consultation when making decisions that currently fall fully within BC Transit's realm – such as capital acquisition, selection of contracted operator. The EII process is a step in the right direction – however, due to the backlog of items on the BC Transit to-do list, there is almost too much consultation now because there are important projects moving forward concurrently.
- There has been a major lack of communication and comprehension of the issues in our area.
- As above we have had excellent service in the past 2 years, prior to this it was poor. There is still some challenges as an operator understanding on the fleet side. As mentioned earlier, the operating side is strong, it is the marketing side that is inadequate.

- The current structure of planning and decision making with BC Transit is flawed. Transit Planning and decision making need to happen in the local community and can't happen in Victoria.
- Local government suffers from inadequate knowledge of how BCT functions, this could also be true in the reverse. Improved formal and informal communications will help overcome difficulties that result.
- Our relationship is fair, and it is up to the District to make contact with BC Transit. Otherwise, we don't hear from them other than required reporting.
- Answers reflect current state of affairs, as opposed to historical state of affairs. Answers would be different if responding 2-3 years ago.
- Responsiveness to concerns/requests from our organization are not always followed in regards to local structure and cost allocations. This comment is specific in terms of moving issues forward for a.o.a's and cost/revenue allocations.
- Varies between departments and individuals.
- Issue covered in detail in briefing note presented to Panel. Of note, since our presentation to the Review Panel we have had several more examples of lack of responsiveness, poor communication and poor quality of marketing materials produced by BCT using their own data and it was filled with errors and inaccuracies. Further, the response by BCT staff to our concerns related to these errors in marketing materials and press release was less than professional.
- Again, the RTM does [THEIR] best to address the City's needs but does not appear to always receive support for this. Some areas are improving as is getting support from [THEIR] manager to make things happen
- Again there is a disconnect between needs of our small static system and the provincially driven direction of BC Transit.
- BC Transit, City of Dawson Creek and the operating company have all made a commitment to follow through on anything we agree to do, and it has worked very well
- With regards to the first point above, sometimes BCT makes decisions that do affect us and that end up being changed due to either additional info learned after they made their decision or BCT had insufficient info and rushed a decision. (ie latest handyDART no show and cancellation policy and letter, received local government approval (as requested) and then BCT wanted to revise many aspects of the policy) which indicates to us that the original policy (and request for our approval) needing more review.
- BC Transit decisions are very inwardly focused and we find out after the fact.
- There is a difference between contact and listening AND actually acting on our stated preferences.

**Chart 9 :** In the last two years BC Transit has undertaken its Enterprise Investment Initiative and introduced three-year budgets. Have these efforts resulted in improvement in BC Transit's working relationship with your organization?

## BC Transit efforts resulted in improved working relationship



## Comments

- Yes the 3 year budgeting is much better. They still have to develop a strategy around vehicle replacement so that we don't have these large spikes when the replacements happen.
- A lot of effort is being made by Transit staff but the timing of the release of budget information still falls behind Regional District budget cycles and does not appear sufficient to inform the financial planning requirements of Local Government.
- The 2011 [REMOVED] Transit System Service, Financial and Facility Review is the key factor in improved our working relationship with BC Transit. If we didn't have this recent positive experience with BC Transit, the EII and the introduction of the three-year budgets would be seen as the turning point in the relationship. We absolutely appreciate these efforts and see them as a way to keep the communication open and contributing to maintaining the positive relationship.
- There was no discussion regarding the contents and background related to the budget numbers and categories.
- Important omissions of our three-year budget from BC Transit included, projected increases in revenue, ridership and service hours. These would be useful in helping establish financial goals for providing financially sustainable transit.

- This is the best change in practice I've witnessed in 5 years!
- Our understanding is that this work on EII is not yet complete so can't comment. With respect to the three-year budget, this has been better for financial planning.
- It is great that they are now providing this to staff, and it does help... the challenge that staff still have is the periods as the City runs Jan-Dec vs BCT April-Mar. Staff need to still convert all the budget info into the City's budget cycle
- 3-year budgets are much appreciated. Our number 1 priority is cost containment not necessarily the things in the EIP.
- The receipt of the 3 year budgets is helpful, but does not really suggest we have an improved relationship, as that item is only one aspect of building a strong working relationship and we have many other items that we would like to see BCT assist us with. And the 3 year budget does not coincide with our calendar year budgets.
- Understand the changes but haven't seen better results.
- We view this initiative as a sales pitch for increased investment in administration.

**Verbatim:** If BC Transit improved one thing what would your organization like that to be?

- Planning, prior to the last 2 years we were told we would be in line after larger systems were done. We have had an RTM that has worked closely with us and got the planning support to complete 2 reviews of our system as well as develop a regional structure - huge strides forward.
- BC Transit's responsiveness to questions.
- Provide three-year budgets based on annual budget cycle of municipalities instead or at least in addition to the fiscal budget cycle.
- How about three things? a) Split it in two. A rural section and urban section. Our local needs different from the needs of Kamloops or Vernon. We should not have to pay for services we don't use. b) Become a contract management company and get out of being a quasi-operating company. Letting the Transit Operators decide which equipment to purchase would result in be more accountability over operating and equipment purchase decisions. c) Allow local municipalities run their own bus systems, and provide to them the portion of grant money that the Province provided to BC Transit to fund the municipality's bus system.
- Change the governance model such that Capital Regional District Board is able to assume the authority of the Victoria Regional Transit Commission together with the necessary supporting regulatory powers to enable more accountable planning and funding of Public Transportation within the CRD.
- Communication during an RFP on budget implications. During an RFP, more detailed information needs to be provided to the local government on the forecasted budget for the 7 year term of the contract. This will allow the local government to see the budget implications of entering into such a long term contract for service and alleviate the surprise and concern currently experienced when the annual draft budgets are released.
- More flexibility in budgeting and decisions regarding capital and maintenance.
- Need to learn more about the system.....

- The one thing that we would like to see is BC Transit reporting and budgeting on a calendar year instead of the April – March provincial year so that we wouldn't have to translate and reproduce all the information received to fit the municipally legislated calendar year. (If changing years is not realistic, then quarterly reporting so that it would be easier for the partners to monitor and track the transit budgets locally as well as easily translate KPIs from the provincial year to the calendar year.) We appreciate the Minister's and the Panels attention to this project and local partner feedback. If you have any further questions related to this survey or our presentation, please do not hesitate to contact us. Regards.
- Better communication with the area manager and with other BCT staff that work directly on our issues.
- More efforts to improve cost effective transit; for example, identify who is riding transit where and when and how we can use that information to better match service to demand. Local decision-making and planning are essential and currently do not occur.
- Cost Control for small operations
- A clearer understanding of the process.
- BCT must secure long term funding/support from MOTI, ideally this would result in the ability to make long term financial and performance commitments to local governments.
- A greater appreciation for the difference in budget and year end cycles. Municipal Government is Jan to Dec Fiscal year end vs the April to March year end of Transit.
- Develop a Regional Intercity Transit Model that addresses the qualitative differences between regional, intercity transit systems and municipal systems with respect to: lower rides per hour, much greater travel distances, significantly higher operating expenses, lower operating cost recoveries, and substantially more complicated and challenging cost sharing considerations. This requires a different governance and funding model than the one that was built for municipal systems. BC Transit would need the Provincial Government's assistance in tackling this substantive issue.
- Find additional funding source (maybe a local fuel tax) to help pay for transit & draft a memorandum of understanding outlining BCT and local transit responsibilities, how budgeting will be done, processes for budget changes, etc.
- A system or governance structure to allow it to make strategic planning decisions and having those decisions being linked to service allocation plans, to support local government planning of transit.
- Maintaining contact with our organization and the 3-year budgets
- Rider information/marketing
- More research on *[innovative]* transit models for small urban communities. Currently, the "bus" system seems to be the only model used. Perhaps there is an opportunity to invest in a "taxi like" model for small communities that do not have the population to support a bus system. The model could include providing a subsidy to a taxi company that then could provide a service to the community outside of the hours operate by BC Transit. There must be other models that could be explored.
- Assisting us in reducing costs for provision of transit in the community within a viable system.
- More public transit to our community. Being rural we only have one small transit bus that can provide limited service. We are looking to improve the system but funding will be an issue. We are currently working with BC Transit Planning Staff to look at improvements but rural communities should be included in more of the overall area planning.

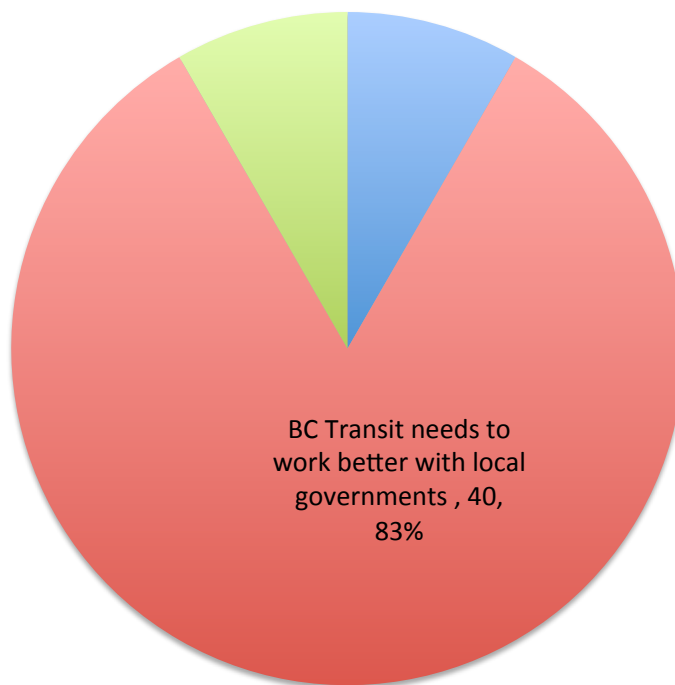
- Customer service, transparency and communication to local government as a partner that is respectful and effective to ensure that our contribution to the delivery of the service makes best use of scarce tax dollars. All other improvements in BCT performance and partnership with us flows from that.. Issue covered in detail in briefing note presented to BC Transit Independent Review Panel Consultation prior to decisions being made.
- Continue to improve the ability for the RTM to source resources with BCT in a timely fashion
- I'll give you 2: Get rid of the Dennis Dart buses asap with funding provided by the Province. Make Local Government an equal partner in the governance and oversight of BC Transit.
- This is a period of transition. My own Council has only recently started a formalized and consistent strategic planning process with an extended time window. In some ways, BC Transit was ahead of us in looking at a longer term picture. Over time, I expect our strategic planning efforts to complement each other to a greater extent than is now happening, but those growing pains are a joint issue, not isolated to only one of the partners
- Capital Planning Process
- Vehicle reliability, costs and suitability to meet specific community needs (one shoe does not fit all) 3 tiers inadequate for entire province and smaller rural widely spread out service areas
- More details provided with financial budgets and timelines (and figures) that coincide with our budgets, also more accurate reporting of draft budgets in Sept/Oct as they seem to change a fair amount when revised in spring of the following year. The second major item is better marketing/communications of local transit interests and less province wide, as local government has no input to province wide marketing campaigns. Maybe send a survey to seek feedback from local government on the last 2 years of general marketing initiatives.
- Too much centralized control and too little ability to respond to local needs.
- Develop goals in partnership with our government, as well as the Province.
- Be more responsive to local needs.
- Two things....funding model to recognize actual costs of operation or allow us greater say in bus replacement.
- Coordination of the individual transit systems and bringing them into one organization that would serve the entire valley. This would allow for better scheduling and utilization of resources and ultimately better service for our citizens.

**Chart 10:** For the purposes of this question assume that the current provincial funding commitment to local transit will remain intact. Select the following statements that comes closest to representing your organizations views toward BC Transit's role in supporting local government's delivery of public transportation?

## Attitude toward BC Transit

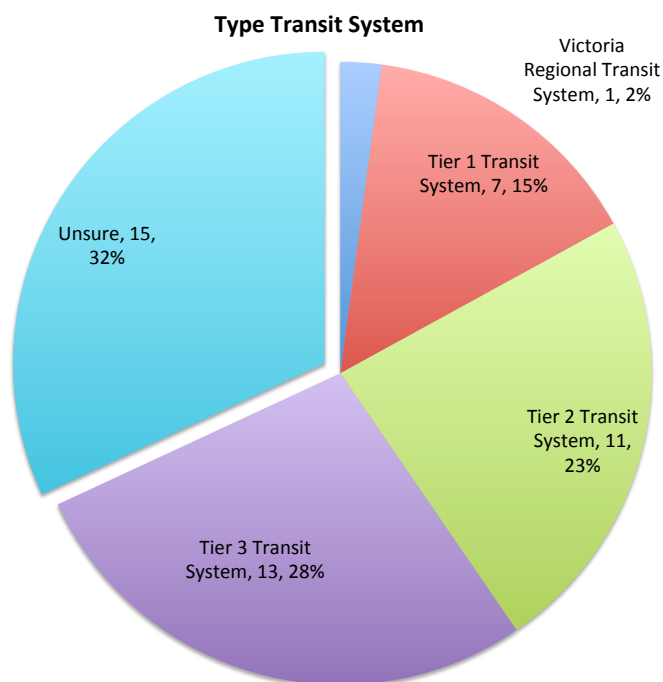
BC Transit works just  
fine the way it is now.,  
4, 8%

Minimize or eliminate  
the role of BC Transit ,  
4, 9%

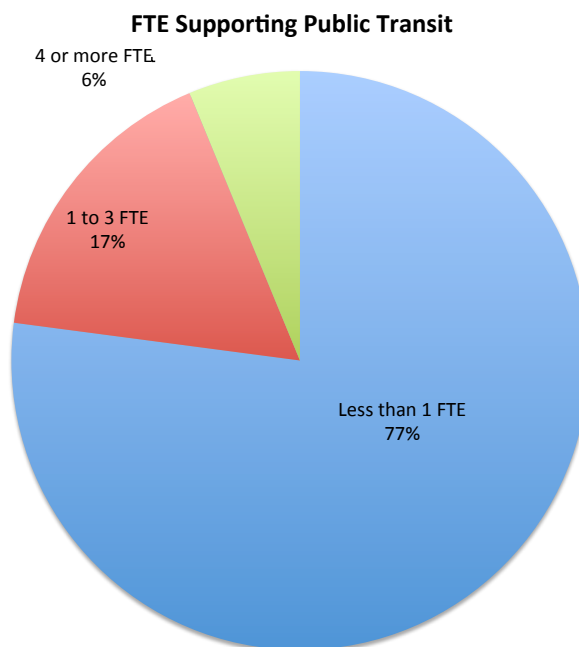




**Chart 11:** What Transit System does your organization fit into?



**Chart 12:** How many full time equivalent positions (FTE's) does your organization budget to support management of public transit?



## Appendix A – Survey Questions

### Screen 1

#### **BC Transit Independent Review Panel**

Survey of local government funding partners

#### **BC Transit Independent Review Panel Survey**

The Panel has heard that funding partners need access to timely, accurate information to be able to make informed transit planning and budget decisions.

How would you characterize the overall communications between BC Transit and your organization, would you say it is poor, fair, or good?

- ☐ Poor
- ☐ Fair
- ☐ Good
- ☐ Skip/Don't wish to answer

Comment?

For each of the following, would you say that the **information received from BC Transit is** inadequate, adequate or very good?

**Answer based on what you believe your organization's desired quality and timeliness of information from BC Transit to be.**

|                                                        | Do not rely on<br>information from<br>BC Transit | Inadequate            | Adequate              | Very Good             |
|--------------------------------------------------------|--------------------------------------------------|-----------------------|-----------------------|-----------------------|
| Quality of reporting on<br>system performance          | <input type="radio"/>                            | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Timeliness of system<br>performance reports            | <input type="radio"/>                            | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Quality of information<br>for financial planning       | <input type="radio"/>                            | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Timeliness of<br>information for<br>financial planning | <input type="radio"/>                            | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Quality of information<br>for budget monitoring        | <input type="radio"/>                            | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Timeliness of<br>information for budget<br>monitoring  | <input type="radio"/>                            | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Comments?

Local and provincial levels of government make decisions to fund and support local transit. BC Transit is the provincial government's agent to deliver transit services. Decisions made by each of the parties (e.g. provincial transportation plans, purchase of new fare-boxes, decisions to change services levels) affect the other parties.

Answers to the next set of questions will help the Panel to understand how accountability for decision-making is reflected in the relationship between BC Transit and your organization

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Thinking about your organization's funding contribution do you have an appropriate level of involvement in decisions BC Transit makes that impact your budget?

- ☐ Yes
- ☐ No
- ☐ Unsure
- ☐ Skip/Don't wish to answer

Comment?

Would you describe your organization's involvement in the following decisions as being at a level that is inadequate, adequate or very good?

Please answer based on what you believe your organization's desired level of involvement to be.

|                                                                              | Do not<br>require BC<br>Transit<br>involvement | Inadequate            | Adequate              | Very Good             |
|------------------------------------------------------------------------------|------------------------------------------------|-----------------------|-----------------------|-----------------------|
| Long-term strategic planning and system expansion                            | <input type="radio"/>                          | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Capital planning and acquisitions for major infrastructure                   | <input type="radio"/>                          | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Selection, management and oversight of contacted operators                   | <input type="radio"/>                          | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Fleet composition and management (including bus purchases and bus transfers) | <input type="radio"/>                          | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Fuel Purchases                                                               | <input type="radio"/>                          | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| System planning routes and scheduling                                        | <input type="radio"/>                          | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Developing AOAs and annual budgets                                           | <input type="radio"/>                          | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Finance monitoring and reporting                                             | <input type="radio"/>                          | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Marketing and promotions                                                     | <input type="radio"/>                          | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Safety and Training                                                          | <input type="radio"/>                          | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Monitoring and reporting on system performance                               | <input type="radio"/>                          | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Comments?

## Screen 5

BC Transit represents a unique approach to delivery of public transportation in Canada by providing centralized transit planning and operations services to local governments.

Overall, do you receive poor, fair, or good value for money regarding the services you receive from BC Transit?

- ☐ Poor
- ☐ Fair
- ☐ Good
- ☐ Unable to judge
- ☐ Skip/Don't want to respond

Comment?

# Funding Partner Survey - Summary Report and Methods

Prepared for: Tom Lee Management Consultants (TLMC)

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Screen 6

Please indicate the value for money you feel is received for each of the following services BC Transit provides to your organization.

|                                                                                       | Do not<br>require<br>BC<br>Transit<br>Service | Poor<br>Value         | Fair<br>Value         | Good<br>Value         | Unable to<br>Judge    |
|---------------------------------------------------------------------------------------|-----------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Long-term strategic planning and system expansion                                     | <input type="radio"/>                         | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Capital planning and acquisitions for major infrastructure (e.g. exchanges, shelters) | <input type="radio"/>                         | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Selection, management and oversight of contracted operators                           | <input type="radio"/>                         | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Fleet composition and management (including bus purchases and bus transfers)          | <input type="radio"/>                         | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Fuel Purchases                                                                        | <input type="radio"/>                         | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| System planning, routes and scheduling                                                | <input type="radio"/>                         | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Developing AOAs and annual budgets                                                    | <input type="radio"/>                         | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Finance monitoring and reporting                                                      | <input type="radio"/>                         | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Marketing and promotions                                                              | <input type="radio"/>                         | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Safety and Training                                                                   | <input type="radio"/>                         | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Monitoring and reporting on system performance                                        | <input type="radio"/>                         | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Comments?

British Columbia's public transit governance and service delivery model requires a good relationship among BC Transit, local governments and operators.

Overall, would you say your relationship with BC Transit is poor, fair or good?

- ☐ Poor  
☐ Fair  
☐ Good  
☐ Skip/No Comment

Comment?

In each of the following areas is your relationship with BC Transit best described as poor, fair, or good?

|                                                                                      | Poor                  | Fair                  | Good                  | Skip/<br>Refuse       |
|--------------------------------------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| BC Transit's level of consultation when they make a decision that will impact us.    | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| BC Transit's responsiveness to concerns/questions or requests from our organization. | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| BC Transit's decision making process is transparent.                                 | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| BC Transit demonstrates accountability to my organization for the decision it makes. | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| BC Transit demonstrates understanding of my organization's needs.                    | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| BC Transit follows through on its commitments.                                       | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Comments?



## Screen 8

In the last two years BC Transit has undertaken its Enterprise Investment Initiative and introduced three-year budgets.

Have these efforts resulted in improvement in BC Transit's working relationship with your organization?

- ☐ Yes
- ☐ No
- ☐ Unsure or Can't Say

If no, why not?

If BC Transit improved one thing what would your organization like that to be?

For the purposes of this question assume that the current provincial funding commitment to local transit will remain intact.

Select the following statements that comes closest to representing your organizations views toward BC Transit's role in supporting local government's delivery of public transportation?

- ☐ Statement A - Some people say that BC Transit is broken and gets in the way of how a community can effectively manage and run their public transportation system. These people say the government should minimize or eliminate the role of BC Transit has in running their community's public transportation system
- ☐ Statement B - Some people say that BC Transit is a valuable partner that allows communities to provide a standard of public transportation services that might not otherwise exist. These people say that BC Transit just needs to work better with local governments and funding partners.
- ☐ Statement C - Others say that BC Transit is not broken and works just fine the way it is now.

## Screen 9

Would you like your feedback kept as anonymous?

- ☐ Yes (responses will not be attributed to your organization)  
☐ No

The following questions are used to help us report results in summary format.

What Transit System does your organization fit into?

- ☐ Victoria Regional Transit System  
☐ Tier 1 Transit System  
☐ Tier 2 Transit System  
☐ Tier 3 Transit System  
☐ Unsure

Approximately how many full time equivalent positions (FTE's) does your organization budget to support management of public transit in your community? Do not include drivers and maintenance workers.

- ☐ Less than 1 FTE  
☐ 1 to 3 FTE  
☐ 4 or more FTE  
☐ Unsure/Don't Know

For validation and confirmation purposes, please enter the Email address we sent your survey invitation to:

Would you like to receive an Email with link to the Panel's report when it is posted to the Independent Review Panel's website?

- ☐ Yes  
☐ No

Submit

## Appendix B – Survey Respondents (47<sup>2</sup>)

| Local Government                              | Responded | Local Government                         | Responded |
|-----------------------------------------------|-----------|------------------------------------------|-----------|
| 1. District of 100 Mile House                 | YES       | 40. District of Summerland               | YES       |
| 2. City of Abbotsford                         | YES       | 41. Sunshine Coast Regional District     | YES       |
| 3. Village of Alert Bay                       | YES       | 42. District of Squamish                 | YES       |
| 4. Village of Ashcroft                        | YES       | 43. Squamish-Lillooet Regional District  | YES       |
| 5. City of Campbell River                     | YES       | 44. City of Terrace                      | YES       |
| 6. Capital Regional District                  | YES       | 45. City of Vernon                       | YES       |
| 7. Central Coast Regional District            | YES       | 46. Victoria Regional Transit Commission | YES       |
| 8. Regional District of Central Kootenay      | YES       | 47. Resort Municipality of Whistler      | YES       |
| 9. City of Chilliwack                         | YES       |                                          |           |
| 10. District of Clearwater                    | YES       |                                          |           |
| 11. City of Cranbrook                         | YES       |                                          |           |
| 12. Comox Valley Regional District            | YES       |                                          |           |
| 13. Cowichan Valley Regional District         | YES       |                                          |           |
| 14. City of Dawson Creek                      | YES       |                                          |           |
| 15. Regional District of East Kootenay        | YES       |                                          |           |
| 16. City of Fort St. John                     | YES       |                                          |           |
| 17. City of Kamloops                          | YES       |                                          |           |
| 18. City of Kelowna                           | YES       |                                          |           |
| 19. District of Kent                          | YES       |                                          |           |
| 20. City of Kimberly                          | YES       |                                          |           |
| 21. District of Kitimat                       | YES       |                                          |           |
| 22. Regional District of Kitimat-Stikine      | YES       |                                          |           |
| 23. City of Merritt                           | YES       |                                          |           |
| 24. District of Mission                       | YES       |                                          |           |
| 25. Regional District of Mount Waddington     | YES       |                                          |           |
| 26. Regional District of Nanaimo              | YES       |                                          |           |
| 27. City of Nelson                            | YES       |                                          |           |
| 28. Regional District of North Okanagan       | YES       |                                          |           |
| 29. Regional District of Okanagan-Similkameen | YES       |                                          |           |
| 30. Town of Osoyoos                           | YES       |                                          |           |
| 31. City of Penticton                         | YES       |                                          |           |
| 32. City of Port Alberni                      | YES       |                                          |           |
| 33. City of Powell River                      | YES       |                                          |           |
| 34. Town of Princeton                         | YES       |                                          |           |
| 35. City of Prince George                     | YES       |                                          |           |
| 36. City of Prince Rupert                     | YES       |                                          |           |
| 37. City of Quesnel                           | YES       |                                          |           |
| 38. City of Salmon Arm                        | YES       |                                          |           |
| 39. Town of Smithers                          | YES       |                                          |           |

<sup>2</sup> Two responses received from one Transit Partner are combined as one (1) response for purposes of calculating overall response rate.

# Funding Partner Survey - Summary Report and Methods

Prepared for: Tom Lee Management Consultants (TLMC)

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## Appendix C – Selected Results by Tier

Chi Square is one of the most widely used tests in social science. It is good for seeing if the results for two variables are independent or related. The association between type of transit system (Tier) and each of the questions asking funding partners to rate BC Transit overall service quality (Communications, Value for Money and Relationship) as well as Level of Involvement in Decisions was tested using Chi Square. No statistically significant differences were observed between the type of transit system and ratings for BC Transit for each question tested. Victoria Regional Transit Commission is not classified as a Tier 1, 2 or 3 system and was not included in this Chi Square analysis.

|                                                                    | What Transit System Does Your Organization Fit Into? |       |       |        |        |       |       |       |        |        |       |       |
|--------------------------------------------------------------------|------------------------------------------------------|-------|-------|--------|--------|-------|-------|-------|--------|--------|-------|-------|
|                                                                    | Tier 1                                               |       |       |        | Tier 2 |       |       |       | Tier 3 |        |       |       |
|                                                                    | Freq                                                 | Col % | Row % | Col %  | Freq   | Col % | Row % | Col % | Freq   | Row %  | Col % | TOTAL |
| Appropriate Level Of Involvement In Decisions                      | Yes                                                  | 4     | 22.2% | 28.6%  | 4      | 28.6% | 28.6% | 6     | 37.5%  | 42.9%  | 14    | 29.2% |
|                                                                    | No                                                   | 13    | 72.2% | 46.4%  | 9      | 64.3% | 32.1% | 6     | 37.5%  | 21.4%  | 28    | 58.3% |
|                                                                    | Unsure                                               | 1     | 5.6%  | 25.0%  | 1      | 7.1%  | 25.0% | 2     | 12.5%  | 50.0%  | 4     | 8.3%  |
|                                                                    | Refused                                              | 0     | 0.0%  | 0.0%   | 0      | 0.0%  | 0.0%  | 2     | 12.5%  | 100.0% | 2     | 4.2%  |
| Characterize The Overall Communications                            | Poor                                                 | 4     | 22.2% | 66.7%  | 1      | 7.1%  | 16.7% | 1     | 6.3%   | 16.7%  | 6     | 12.5% |
|                                                                    | Fair                                                 | 7     | 38.9% | 33.3%  | 6      | 42.9% | 28.6% | 8     | 50.0%  | 38.1%  | 21    | 43.8% |
|                                                                    | Good                                                 | 7     | 38.9% | 35.0%  | 7      | 50.0% | 35.0% | 6     | 37.5%  | 30.0%  | 20    | 41.7% |
|                                                                    | Refused                                              | 0     | 0.0%  | 0.0%   | 0      | 0.0%  | 0.0%  | 1     | 6.3%   | 100.0% | 1     | 2.1%  |
| Overall, Value For Money                                           | Poor                                                 | 3     | 16.7% | 50.0%  | 2      | 14.3% | 33.3% | 1     | 6.3%   | 16.7%  | 6     | 12.5% |
|                                                                    | Fair                                                 | 5     | 27.8% | 45.5%  | 5      | 35.7% | 45.5% | 1     | 6.3%   | 9.1%   | 11    | 22.9% |
|                                                                    | Good                                                 | 8     | 44.4% | 33.3%  | 5      | 35.7% | 20.8% | 11    | 68.8%  | 45.8%  | 24    | 50.0% |
|                                                                    | Can't Judge                                          | 1     | 5.6%  | 20.0%  | 1      | 7.1%  | 20.8% | 3     | 18.8%  | 60.0%  | 5     | 10.4% |
| Overall, Relationship                                              | Refuse                                               | 1     | 5.6%  | 50.0%  | 1      | 7.1%  | 50.0% | 0     | 0.0%   | 0.0%   | 2     | 4.2%  |
|                                                                    | Poor                                                 | 3     | 16.7% | 100.0% | 0      | 0.0%  | 0.0%  | 0     | 0.0%   | 0.0%   | 3     | 6.3%  |
|                                                                    | Fair                                                 | 4     | 22.2% | 30.8%  | 4      | 28.6% | 30.8% | 5     | 31.3%  | 38.5%  | 13    | 27.1% |
|                                                                    | Good                                                 | 11    | 61.1% | 36.7%  | 10     | 71.4% | 33.3% | 9     | 56.3%  | 30.0%  | 30    | 62.5% |
| Have Efforts Resulted In Improvement In Relationship               | Refuse                                               | 0     | 0.0%  | 0.0%   | 0      | 0.0%  | 0.0%  | 2     | 12.5%  | 100.0% | 2     | 4.2%  |
|                                                                    | Yes                                                  | 12    | 66.7% | 41.4%  | 10     | 71.4% | 34.5% | 7     | 43.8%  | 24.1%  | 29    | 60.4% |
|                                                                    | No                                                   | 4     | 22.2% | 57.1%  | 2      | 14.3% | 28.6% | 1     | 6.3%   | 14.3%  | 7     | 14.6% |
|                                                                    | Unsure                                               | 2     | 11.1% | 16.7%  | 2      | 14.3% | 16.7% | 8     | 50.0%  | 66.7%  | 12    | 25.0% |
| Select The Statement That Comes Closest To Representing Your Views | Get rid of BC Transit                                | 2     | 11.1% | 50.0%  | 1      | 7.1%  | 25.0% | 1     | 6.3%   | 25.0%  | 4     | 8.3%  |
|                                                                    | Fix BC Transit                                       | 14    | 77.8% | 35.0%  | 13     | 92.9% | 32.5% | 13    | 81.3%  | 32.5%  | 40    | 83.3% |
|                                                                    | BC Transit is Fine                                   | 2     | 11.1% | 50.0%  | 0      | 0.0%  | 0.0%  | 2     | 12.5%  | 50.0%  | 4     | 8.3%  |
|                                                                    | < 1 FTE                                              | 10    | 55.6% | 27.0%  | 11     | 78.6% | 29.7% | 16    | 100.0% | 43.2%  | 37    | 77.1% |
| Approximately Fte'S                                                | 1 to 3 FTE                                           | 6     | 33.3% | 75.0%  | 2      | 14.3% | 25.0% | 0     | 0.0%   | 0.0%   | 8     | 16.7% |
|                                                                    | 4+ FTE                                               | 2     | 11.1% | 66.7%  | 1      | 7.1%  | 33.3% | 0     | 0.0%   | 0.0%   | 3     | 6.3%  |

## Appendix D - Top-Line-Results

**Question:** How would you characterize the overall communications between BC Transit and your organization, would you say it is poor, fair, or good?

|                                                |         | Freq | Col % |
|------------------------------------------------|---------|------|-------|
| <b>Characterize The Overall Communications</b> | Poor    | 6    | 12.5% |
|                                                | Fair    | 21   | 43.8% |
|                                                | Good    | 20   | 41.7% |
|                                                | Refused | 1    | 2.1%  |

**Question:** For each of the following, would you say that the information received from BC Transit is inadequate, adequate or very good? Answer based on what you believe your organization's desired quality and timeliness of information from BC Transit to be.

|                                                         |            |    |       |
|---------------------------------------------------------|------------|----|-------|
| <b>Quality Of Information For Financial Planning</b>    | Inadequate | 13 | 27.7% |
|                                                         | Adequate   | 28 | 59.6% |
|                                                         | Very Good  | 4  | 8.5%  |
|                                                         | Don't Rely | 2  | 4.3%  |
| <b>Timeliness Of Information For Financial Planning</b> | Inadequate | 16 | 33.3% |
|                                                         | Adequate   | 26 | 54.2% |
|                                                         | Very Good  | 3  | 6.3%  |
|                                                         | Don't Rely | 3  | 6.3%  |
| <b>Quality Of Information For Budget Monitoring</b>     | Inadequate | 9  | 19.1% |
|                                                         | Adequate   | 30 | 63.8% |
|                                                         | Very Good  | 4  | 8.5%  |
|                                                         | Don't Rely | 4  | 8.5%  |
| <b>Timeliness Of Information For Budget Monitoring</b>  | Inadequate | 10 | 20.8% |
|                                                         | Adequate   | 30 | 62.5% |
|                                                         | Very Good  | 4  | 8.3%  |
|                                                         | Don't Rely | 4  | 8.3%  |

|                                                   |            |    |       |
|---------------------------------------------------|------------|----|-------|
| <b>Quality Of Reporting On System Performance</b> | Inadequate | 16 | 34.0% |
|                                                   | Adequate   | 20 | 42.6% |
|                                                   | Very Good  | 6  | 12.8% |
|                                                   | Don't Rely | 5  | 10.6% |
| <b>Timeliness Of System Performance Reports</b>   | Inadequate | 14 | 29.8% |
|                                                   | Adequate   | 23 | 48.9% |
|                                                   | Very Good  | 5  | 10.6% |
|                                                   | Don't Rely | 5  | 10.6% |

**Question:** Thinking about your organization's funding contribution do you have an appropriate level of involvement in decisions BC Transit makes that impact your budget?

|                                                      |         |    |       |
|------------------------------------------------------|---------|----|-------|
| <b>Appropriate Level Of Involvement In Decisions</b> | Yes     | 14 | 29.2% |
|                                                      | No      | 28 | 58.3% |
|                                                      | Unsure  | 4  | 8.3%  |
|                                                      | Refused | 2  | 4.2%  |

**Question:** Would you describe your organization's involvement in the following decisions as being at a level that is inadequate, adequate or very good? Please answer based on what you believe your organization's desired level of involvement to be.

|                                                                                     |            |    |       |
|-------------------------------------------------------------------------------------|------------|----|-------|
| <b>Long Term Strategic Planning And System Expansion</b>                            | Inadequate | 19 | 40.4% |
|                                                                                     | Adequate   | 19 | 40.4% |
|                                                                                     | Very Good  | 8  | 17.0% |
|                                                                                     | Don't Rely | 1  | 2.1%  |
| <b>Fleet Composition And Management (Including Bus Purchases And Bus Transfers)</b> | Inadequate | 29 | 61.7% |
|                                                                                     | Adequate   | 16 | 34.0% |
|                                                                                     | Very Good  | 1  | 2.1%  |
|                                                                                     | Don't Rely | 1  | 2.1%  |
| <b>Developing AOA's And Annual Budgets</b>                                          | Inadequate | 12 | 25.5% |
|                                                                                     | Adequate   | 25 | 53.2% |
|                                                                                     | Very Good  | 8  | 17.0% |
|                                                                                     | Don't Rely | 2  | 4.3%  |
| <b>Capital Planning And Acquisitions For Major Infrastructure</b>                   | Inadequate | 20 | 43.5% |
|                                                                                     | Adequate   | 23 | 50.0% |

# Funding Partner Survey - Summary Report and Methods

Prepared for: Tom Lee Management Consultants (TLMC)

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|                                                                   |            |    |       |
|-------------------------------------------------------------------|------------|----|-------|
|                                                                   | Very Good  | 1  | 2.2%  |
|                                                                   | Don't Rely | 2  | 4.3%  |
| <b>System Planning Routes And Scheduling</b>                      | Inadequate | 11 | 23.4% |
|                                                                   | Adequate   | 23 | 48.9% |
|                                                                   | Very Good  | 11 | 23.4% |
|                                                                   | Don't Rely | 2  | 4.3%  |
| <b>Marketing And Promotions</b>                                   | Inadequate | 16 | 34.0% |
|                                                                   | Adequate   | 23 | 48.9% |
|                                                                   | Very Good  | 5  | 10.6% |
|                                                                   | Don't Rely | 3  | 6.4%  |
| <b>Selection, Management And Oversight Of Contacted Operators</b> | Inadequate | 14 | 29.2% |
|                                                                   | Adequate   | 23 | 47.9% |
|                                                                   | Very Good  | 7  | 14.6% |
|                                                                   | Don't Rely | 4  | 8.3%  |
| <b>Fuel Purchases</b>                                             | Inadequate | 8  | 17.4% |
|                                                                   | Adequate   | 27 | 58.7% |
|                                                                   | Very Good  | 7  | 15.2% |
|                                                                   | Don't Rely | 4  | 8.7%  |
| <b>Monitoring And Reporting On System Performance</b>             | Inadequate | 14 | 30.4% |
|                                                                   | Adequate   | 25 | 54.3% |
|                                                                   | Very Good  | 3  | 6.5%  |
|                                                                   | Don't Rely | 4  | 8.7%  |
| <b>Finance Monitoring And Reporting</b>                           | Inadequate | 11 | 23.4% |
|                                                                   | Adequate   | 29 | 61.7% |
|                                                                   | Very Good  | 4  | 8.5%  |
|                                                                   | Don't Rely | 3  | 6.4%  |
| <b>Safety And Training</b>                                        | Inadequate | 4  | 8.9%  |
|                                                                   | Adequate   | 26 | 57.8% |
|                                                                   | Very Good  | 8  | 17.8% |
|                                                                   | Don't Rely | 7  | 15.6% |

**Question:** Overall, do you receive poor, fair, or good value for money regarding the services you receive from BC Transit?

|                                 |             |    |       |
|---------------------------------|-------------|----|-------|
| <b>Overall, Value For Money</b> | Poor        | 6  | 12.5% |
|                                 | Fair        | 11 | 22.9% |
|                                 | Good        | 24 | 50.0% |
|                                 | Can't Judge | 5  | 10.4% |
|                                 | Refuse      | 2  | 4.2%  |

**Question:** Please indicate the value for money you feel is received for each of the following services BC Transit provides to your organization.

|                                                                                              |                 |    |       |
|----------------------------------------------------------------------------------------------|-----------------|----|-------|
| <b>Long Term Strategic Planning And System Expansion</b>                                     | Poor            | 9  | 19.1% |
|                                                                                              | Fair            | 12 | 25.5% |
|                                                                                              | Good            | 18 | 38.3% |
|                                                                                              | Unable to Judge | 6  | 12.8% |
|                                                                                              | 5.0             | 2  | 4.3%  |
| <b>Fleet Composition And Management (Including Bus Purchases And Bus Transfers)</b>          | Poor            | 14 | 29.8% |
|                                                                                              | Fair            | 19 | 40.4% |
|                                                                                              | Good            | 8  | 17.0% |
|                                                                                              | Unable to Judge | 6  | 12.8% |
|                                                                                              | Poor            | 7  | 14.6% |
| <b>Developing AOA's And Annual Budgets</b>                                                   | Fair            | 20 | 41.7% |
|                                                                                              | Good            | 17 | 35.4% |
|                                                                                              | Unable to Judge | 4  | 8.3%  |
|                                                                                              | Poor            | 13 | 27.1% |
|                                                                                              | Fair            | 16 | 33.3% |
| <b>Capital Planning And Acquisitions For Major Infrastructure (E.G. Exchanges, Shelters)</b> | Good            | 5  | 10.4% |
|                                                                                              | Unable to Judge | 9  | 18.8% |
|                                                                                              | 5.0             | 5  | 10.4% |
|                                                                                              | Poor            | 11 | 22.9% |
|                                                                                              | Fair            | 14 | 29.2% |
| <b>System Planning, Routes And Scheduling</b>                                                | Good            | 19 | 39.6% |
|                                                                                              | Unable to Judge | 3  | 6.3%  |
|                                                                                              | 5.0             | 1  | 2.1%  |



|                                                                    |                 |    |       |
|--------------------------------------------------------------------|-----------------|----|-------|
| <b>Marketing And Promotions</b>                                    | Poor            | 15 | 31.3% |
|                                                                    | Fair            | 15 | 31.3% |
|                                                                    | Good            | 11 | 22.9% |
|                                                                    | Unable to Judge | 4  | 8.3%  |
|                                                                    | 5.0             | 3  | 6.3%  |
| <b>Selection, Management And Oversight Of Contracted Operators</b> | Poor            | 5  | 10.4% |
|                                                                    | Fair            | 21 | 43.8% |
|                                                                    | Good            | 12 | 25.0% |
|                                                                    | Unable to Judge | 6  | 12.5% |
|                                                                    | 5.0             | 4  | 8.3%  |
| <b>Fuel Purchases</b>                                              | Poor            | 4  | 8.7%  |
|                                                                    | Fair            | 18 | 39.1% |
|                                                                    | Good            | 13 | 28.3% |
|                                                                    | Unable to Judge | 10 | 21.7% |
|                                                                    | 5.0             | 1  | 2.2%  |
| <b>Monitoring And Reporting On System Performance</b>              | Poor            | 10 | 21.7% |
|                                                                    | Fair            | 14 | 30.4% |
|                                                                    | Good            | 14 | 30.4% |
|                                                                    | Unable to Judge | 4  | 8.7%  |
|                                                                    | 5.0             | 4  | 8.7%  |
| <b>Finance Monitoring And Reporting</b>                            | Poor            | 7  | 14.6% |
|                                                                    | Fair            | 21 | 43.8% |
|                                                                    | Good            | 15 | 31.3% |
|                                                                    | Unable to Judge | 3  | 6.3%  |
|                                                                    | 5.0             | 2  | 4.2%  |
| <b>Safety And Training</b>                                         | Poor            | 3  | 6.7%  |
|                                                                    | Fair            | 11 | 24.4% |
|                                                                    | Good            | 16 | 35.6% |
|                                                                    | Unable to Judge | 12 | 26.7% |
|                                                                    | 5.0             | 3  | 6.7%  |

**Question:** Overall, would you say your relationship with BC Transit is poor, fair or good?

|                              |        |    |       |
|------------------------------|--------|----|-------|
| <b>Overall, Relationship</b> | Poor   | 3  | 6.3%  |
|                              | Fair   | 13 | 27.1% |
|                              | Good   | 30 | 62.5% |
|                              | Refuse | 2  | 4.2%  |

**Question:** In each of the following areas is your relationship with BC Transit best described as poor, fair, or good?

|                                                                                             |        |    |       |
|---------------------------------------------------------------------------------------------|--------|----|-------|
| <b>BC Transit Follows Through On Its Commitments.</b>                                       | Poor   | 8  | 16.7% |
|                                                                                             | Fair   | 14 | 29.2% |
|                                                                                             | Good   | 22 | 45.8% |
|                                                                                             | Refuse | 4  | 8.3%  |
| <b>BC Transit's Responsiveness To Concerns/Questions Or Requests From Our Organization.</b> | Poor   | 8  | 16.7% |
|                                                                                             | Fair   | 19 | 39.6% |
|                                                                                             | Good   | 19 | 39.6% |
|                                                                                             | Refuse | 2  | 4.2%  |
| <b>BC Transit's Level Of Consultation When They Make A Decision That Will Impact Us.</b>    | Poor   | 10 | 20.8% |
|                                                                                             | Fair   | 17 | 35.4% |
|                                                                                             | Good   | 19 | 39.6% |
|                                                                                             | Refuse | 2  | 4.2%  |
| <b>BC Transit Demonstrates Understanding Of My Organization's Needs.</b>                    | Poor   | 12 | 25.0% |
|                                                                                             | Fair   | 19 | 39.6% |
|                                                                                             | Good   | 15 | 31.3% |
|                                                                                             | Refuse | 2  | 4.2%  |
| <b>BC Transit Demonstrates Accountability To My Organization For The Decision It Makes.</b> | Poor   | 13 | 27.1% |
|                                                                                             | Fair   | 12 | 25.0% |
|                                                                                             | Good   | 19 | 39.6% |
|                                                                                             | Refuse | 4  | 8.3%  |
| <b>BC Transit's Decision Making Process Is Transparent.</b>                                 | Poor   | 13 | 27.1% |
|                                                                                             | Fair   | 24 | 50.0% |
|                                                                                             | Good   | 7  | 14.6% |
|                                                                                             | Refuse | 4  | 8.3%  |

**Question:** In the last two years BC Transit has undertaken its Enterprise Investment Initiative and introduced three-year budgets. Have these efforts resulted in improvement in BC Transit's working relationship with your organization?

| Have Efforts Resulted In Improvement In Relationship | Yes    | 29 | 60.4% |
|------------------------------------------------------|--------|----|-------|
|                                                      | No     | 7  | 14.6% |
|                                                      | Unsure | 12 | 25.0% |

| Select The Statement That Comes Closest To Representing Your Views | Get rid of BC Transit | 4  | 8.3%  |
|--------------------------------------------------------------------|-----------------------|----|-------|
|                                                                    | Fix BC Transit        | 40 | 83.3% |
|                                                                    | BC Transit is Fine    | 4  | 8.3%  |

| What Transit System Does Your Organization Fit Into? | Victoria | 8  | 15.2% |
|------------------------------------------------------|----------|----|-------|
|                                                      | Tier 1   | 10 | 21.7% |
|                                                      | Tier 2   | 13 | 28.3% |
|                                                      | Tier 3   | 1  | 2.2%  |
|                                                      | Unsure   | 15 | 32.6% |

| REVISED TIER ASSIGNMENTS                             |                     | Freq | Col % |
|------------------------------------------------------|---------------------|------|-------|
| What Transit System Does Your Organization Fit Into? | Tier 1 <sup>3</sup> | 18   | 37.0% |
|                                                      | Tier 2              | 13   | 28.3% |
|                                                      | Tier 3              | 17   | 34.8% |

| Approximately FTE's | < 1 FTE    | 37 | 77.1% |
|---------------------|------------|----|-------|
|                     | 1 to 3 FTE | 8  | 16.7% |
|                     | 4+ FTE     | 3  | 6.3%  |

<sup>3</sup> Includes Victoria Transit Commission



Capital Regional District

## Transit Governance Review

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Report

February 20, 2013



**IBI Group**  
5th Floor – 230 Richmond Street West  
Toronto ON M5V 1V6 Canada  
**tel** 416 596 1930  
**fax** 416 596 0644

February 20, 2013

Ms. Marg Misek-Evans  
Senior Manager, Regional and Strategic Planning  
Capital Regional District  
625 Fisgard Street  
Victoria, BC V8W 1R7

Dear Ms. Misek-Evans:

TRANSIT GOVERNANCE REVIEW

We are pleased to submit our report on the above project, and wish to take this opportunity to acknowledge and thank you and your colleagues, Messrs Lapham and MacPhail, for your contributions and support.

During the course of the project we consulted with several CRD Board members, and senior management of BC Transit and the Ministry of Transportation and Infrastructure. The individuals are identified in Appendix B of the report. We also wish to acknowledge these persons for their cooperation and assistance.

Thank you for giving us the opportunity to work on this most interesting assignment.

Sincerely,

IBI GROUP

A handwritten signature in blue ink, appearing to read "Brian Hollingworth". The signature is fluid and cursive, with a long horizontal stroke at the end.

Brian Hollingworth  
Director

A handwritten signature in blue ink, appearing to read "Marvin Rubinstein". The signature is more compact and stylized than the one on the left, with a prominent horizontal stroke.

Marvin Rubinstein  
Associate

Enc.

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## Executive Summary

At a meeting on November 21, 2012 the CRD Transportation Select Committee (TSC) decided that the CRD Board should re-affirm its resolution of June 15, 2011 seeking to replace the VRTC as the transit authority for the region. In conjunction with this decision TSC directed CRD staff to investigate how the governance arrangement would function with the CRD Board serving as the transit authority. CRD staff retained IBI Group to assist with this work.

Challenges associated with the current transit governance structure are discussed in Section 4 of the report. Based on our review of available documentation and stakeholder consultations we have identified the following to be the principal governance change objectives:

- CRD Board to assume leadership and authority for regional transit decision-making
- Enhance responsiveness and accountability to local governments
- Establish strong partnership (with BC Transit) for transit planning and operational delivery
- Contribute to transit decision-making that is expedient and transparent
- Impart CRD Board with authority to manage transit funding and raise transit capital.

Section 5 of the report investigates three (3) alternative governance arrangements that potentially could satisfy these change objectives. They are:

1. CRD Board to replace VRTC
2. CRD Board, by way of a bylaw, to establish a Regional Transit Commission to replace VRTC
3. CRD Board, by way of an approved terms of reference, to establish a Regional Transit Committee (a standing committee) to replace VRTC

The following features are common to all of the governance options. BC Transit would continue to serve as delivery agent / operator of the VRTC transit system in the Greater Victoria region, whereas, CRD supported by in-house technical and professional resources, would:

- Provide independent financial and managerial services, planning and evaluation, and advice relative to the regional transit system.
- Establish / annually review performance standards, local / regional transit service plans and fares in consultation with local government decision makers, BC Transit and stakeholders.
- Formalize the above decisions / directions in annual tri-party operating agreements.
- Provide direction respecting the above decisions / directions to BC Transit.
- Independently review and evaluate BC Transit's analysis of operational and capital improvement requirements, making decisions and recommendations as appropriate.
- Raise the local share of the annual cost of transit services in the Greater Victoria region. This would be done in a manner generally similar to the process, which BC Transit currently administers on behalf of the VRTC.
- Assume leadership and authority for transit planning decisions affecting the Greater Victoria region. This would include authority to set transit priorities, make transit investment decisions, manage transit funding and serve as advocate to raise transit capital.

Among the alternatives considered, Option 3 "CRD Regional Transit Committee to Replace VRTC" comes closest to meeting all of the intended governance change objectives. Assessment details are set out in Section 5.4 of the report. We recommend this option to TSC as the preferred alternative.



# 1. Background

The Capital Regional District (CRD) is the regional government for 13 municipalities and 3 electoral areas that are located on the southern tip of Vancouver Island. The urban centre of the CRD is the City of Victoria, and the regional district also includes many of the Gulf Islands, a number of rural municipalities and a vast tract of wilderness that lies along the south-western coast of Vancouver Island.

In addition, the CRD is the local government for areas which are not in a municipality. These areas are known as electoral areas.

The CRD resident population is estimated to be approximately 375,000 persons.

The CRD is generally recognized by its policy making role in relation to regional authorities and services that it provides. These include:

- Regional governance and services for the entire Capital Region, including regional parks, regional planning, solid waste management (including recycling) and emergency 9-1-1 services.<sup>1</sup> These services are provided either directly or by way of corporations such as Capital Region Emergency Services Telecommunications (CREST) and the Capital Regional Housing Corporation (CRHC).
- Partnerships between any combination of municipalities and electoral areas for municipal / inter-municipal services or projects that are specific to only part of the region.
- Local (individual) services for electoral areas.

The CRD derives authority from Letters Patent and from provincial legislation, primarily the *Local Government Act*. It is run by a 24-member Board of Directors, who also sit as members of the Regional Hospital Board.

The Board is made up of Municipal Directors (who are appointed by council) and Directors from the Electoral Areas (who are elected for a three year term). The Board provides a political forum for representation of regional residents and communities and a vehicle for advancing the interests of the region as a whole. Board meetings are held once a month, and to ensure transparency and accountability they are open to the public.

Representation on the CRD Board balances the need to reflect varying population bases across the region with different community interests. Each local government gets one vote for every 5,000 population. Each local government gets one director for every 25,000 population. If a member municipality has more than one director, then the number of votes are divided as evenly as possible.

## CAPITAL REGIONAL DISTRICT

### Municipalities

- Central Saanich
- Colwood
- Esquimalt
- Highlands
- Langford
- Metchosin
- North Saanich
- Oak Bay
- Saanich
- Sidney
- Sooke
- Victoria
- View Royal

### Electoral Areas

- Juan de Fuca
- Southern Gulf Islands
- Salt Spring Island

<sup>1</sup> Land use planning in Gulf Islands is done by Island Planning Trust.

## 2. Introduction

At a meeting held on June 15, 2011, the Capital Regional District (CRD) Board passed the following resolutions asking the Minister responsible for the *BC Transit Act* and the Minister responsible for the *Local Government Act* to bestow the CRD Board with authority for public transit services in the Greater Victoria region.<sup>2</sup>

1. *The minister responsible for the British Columbia Transit Act be requested to consider amendments to that Act as are necessary to constitute the members of the CRD Board representing the Greater Victoria regional transit service area, as elected or appointed from time to time, as the Regional Transit commission in place of the current members of the commission;*
2. *The minister responsible for the Local Government Act, and the minister responsible for the British Columbia Transit Act, be requested to consider the grant to the CRD of the additional transit-related powers referred to in Appendix 6 to the CRD staff report dated June 15, 2011, whether by legislative amendment or the grant of additional powers by regulation.*<sup>3</sup>

Authority for public transit services in the Greater Victoria region is currently vested with the Victoria Regional Transit Commission (VRTC). These resolutions, once approved, would transfer this authority to the CRD Board and the VRTC would be disbanded. As discussed further in this document, neither of these resolutions would discharge BC Transit of its role as transit services operator / delivery agent.

In support of these resolutions the CRD Board established a Regional Transportation Select Committee to examine how the current transportation and public transit governance and funding arrangements in the region should be changed to facilitate a greater role for the region in transportation planning and investment decisions.

On March 15, 2012, in response to concerns from several local governments, the Minister of Transportation and Infrastructure established an Independent Review Panel to review issues with respect to BC Transit, including operations and performance, governance, funding and local government consultation and communication processes. The Minister also directed the Review Panel to investigate the pros and cons of transferring the roles and responsibilities of the Victoria Regional Transit Commission to the Capital Regional District.

The Review Panel delivered its report to the Minister of Transportation and Infrastructure on August 1, 2012. The report confirmed that BC Transit provides first-rate, efficient and cost-effective transit services to the people of British Columbia; however, while the delivery of transit services works well, there is always room for improvement. In this, the report highlighted the need for stronger partnership and better communication around transportation planning and delivery.

In the matter of the governance structure for transit in the Capital regional District, the Review Panel report presented the pros and cons of the two options, either having the VRTC continue to manage the system or transferring the responsibilities of the Commission to the Capital Regional District. The report also included a third alternative, which the Review Panel felt may address some of the concerns associated with the current model. Specifically, the third alternative is to expand local government representation on the VRTC to 13 members (up from the current seven members).

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<sup>2</sup> This action was taken as a result of a number of challenges associated with the current transit governance structure which, as described in Section 4 of this report, adversely impact the CRD's capability to deliver regional planning services throughout the Greater Victoria region. This includes the advancement of transit priorities of regional interest.

<sup>3</sup> For the reader's convenience Appendix 6 of the staff report June 15, 2011 is appended as Appendix D of this report.

The BC Government's Response to the Review Panel report was issued in September 2012. In the matter of transit governance in Greater Victoria the BC Government Response stated the following:

*"the Review Panel did not find consensus on transit governance in Greater Victoria, and instead, presented three options. The Government of British Columbia expects local governments in Greater Victoria will continue their discussion and is prepared to re-examine this issue once a consensus is reached".*

The TSC considered the Review Panel options at a meeting on November 21, 2012 and decided in favour of the following preferred course of action: that the CRD Board should officially re-affirm its original resolution (of June 15, 2011) seeking to replace the VRTC as the transit authority for the region.

In preparation for this, the TSC directed CRD staff to undertake the following work intended to clarify how the preferred governance arrangement would function with the CRD Board serving as the transit authority:

- Review the VRTC governance structure including the existing commissioner responsibilities
- Investigate how these roles and responsibilities may be assumed by the CRD Board
- Investigate the roles and responsibilities that may be assumed by CRD staff
- Investigate the proposed relationships with BC Transit, MOTI and local governments, including the role that the CRD Board may play in securing requisite funding to advance regional transit priorities
- Investigate potential sub-structures by which the preferred governance arrangement may address community-based issues and interests.

IBI Group, which is working with CRD in the development of a Regional Transportation Plan, was retained to assist CRD staff with this work. The scope of work consisted of the following activities:

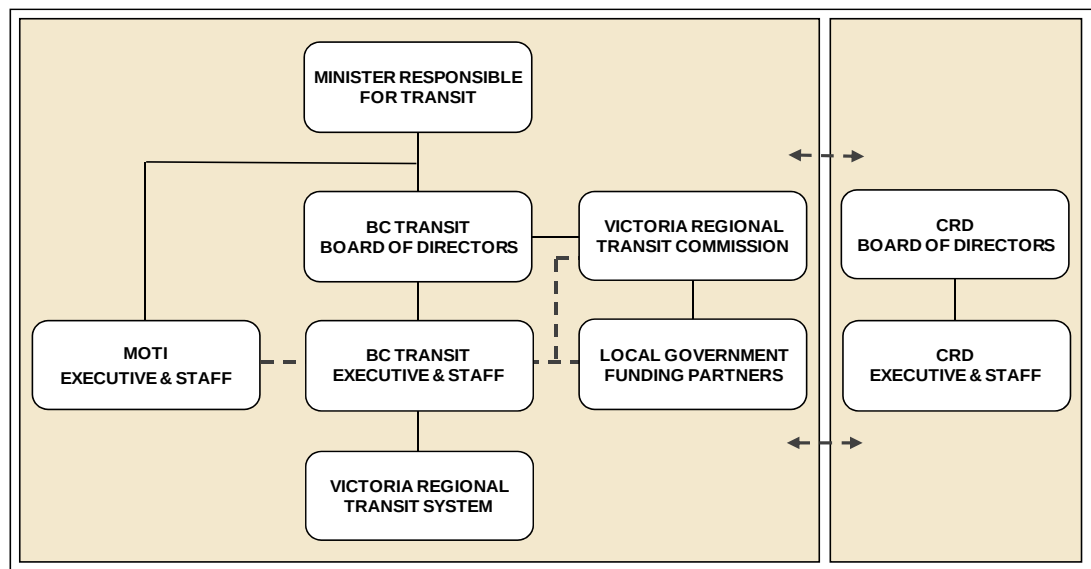
- Review previous research / available documents (see list contained in Appendix A)
- Stakeholder consultations (listed in Appendix B)
- Organize the assembled information
- Prepare a brief report.

### 3. Existing Transit Governance Structure in Greater Victoria

The existing transit governance structure in Greater Victoria is shown in Exhibit 3.1. The principal player is BC Transit, which operates within a governance framework involving the province by way of the Minister of Transportation and Infrastructure (MOTI) and the provincially established Victoria Regional Transit Commission (VRTC) representing the local government funding partners.

In the context of this governance framework, the CRD functions predominately as a community stakeholder in a consultative role. The existing governance arrangement is discussed further below.

Exhibit 3.1  
Existing Transit Governance Structure in Greater Victoria



#### 3.1 BC Transit

BC Transit is the provincial Crown Agency charged with the responsibility to coordinate the delivery of public transportation throughout British Columbia excluding the lower mainland (Greater Vancouver). Paraphrasing from Section 3.1 of the *British Columbia Transit Act*, the mandate of BC Transit is:

- “To plan, acquire, construct or cause to be constructed public passenger transportation systems and rail transit systems that support regional growth strategies, official community plans and the economic development of the transit service areas,
- To provide for the maintenance and operation of those systems, and
- With the approval of the Minister, to pursue commercial opportunities and undertake or enter into commercial ventures in respect of those systems and the authority’s [BC Transit’s] assets and resources”.

BC Transit may undertake the above on its own, or through subsidiaries incorporated by it or on its behalf.

BC Transit is governed by a provincially appointed Board of Directors consisting of seven (7) members. In conformance with the BC Transit Act, two of the members are municipally elected representatives from the provincially established Victoria Regional Transit Commission (VRTC) and two are municipally elected representatives from other municipalities served by BC Transit. The other three Board members are private individuals.

The province appoints a Chair of the Board from among the Directors. The Chair reports to the Minister of Transportation (who serves on behalf of the province).

BC Transit executive and staff manage the daily operations under the Board's stewardship, liaising periodically with MOTI and local government funding partners.

The transit service within the Capital Region District is officially known as the Victoria Regional Transit System (VRTS). BC Transit operates the service on behalf of the VRTC (the provincially appointed transit governance authority for the region). BC Transit also supplies the VRTC with information and planning, which the VRTC uses to make decisions about fares, routes and service levels.

In this regard, there are several issues. One is that the VRTC represents only 5 of the 13 member municipalities and 3 electoral areas, yet all local governments within the Greater Victoria region are financially obligated by the decisions arising from VRTC. Another is that the VRTC has no staff of its own and it relies on BC Transit staff for financial and managerial services, planning and evaluation, and advice. In this current arrangement, not only does BC Transit administer the funding (received from the province, property taxes, etc) but there also is no third party to independently assess / validate the information or advice provided by BC Transit, or to ensure that local interests are adequately represented. These issues are discussed further in subsequent sections of this report.

In other parts of the province, BC Transit contracts service delivery to operating companies including local government, not-for-profits, and independent businesses. Services are formalized through a variety of service and operating agreements. BC Transit oversees the contracted operations to ensure that service delivery targets are achieved.

## 3.2 MOTI

On behalf of the BC Government, MOTI provides an annual provincial subsidy towards the cost of transit system operations in British Columbia. For conventional transit services in the Greater Victoria region the provincial subsidy for operations is about 31.5% of the total annual cost. For custom transit services it is 63%. BC Transit administers these funds on behalf of the VRTC.

MOTI also provides provincial funding for transit infrastructure / network expansion. For such purposes, the amount of provincial funding is determined on a project-specific basis.

Under the BC Government's governance model for Crown agencies, a Crown Agency Board of Directors is accountable to Cabinet and the Legislative Assembly by way of a designated Minister Responsible. In the case of BC Transit this is the Minister of Transportation and Infrastructure.

The Deputy Minister, MOTI serves as the main advisor to the Minister, for this purpose relying on ministry executive and staff to liaise regularly with their counterparts at BC Transit, provide support as necessary, and monitor activities to ensure overall accountability. Accountability is defined in terms of the following principles that are set out in the BC Government's *Shareholder's Expectations Manual for British Columbia Crown Agencies*:

- Crown Agencies are instruments of public policy as mandated by Cabinet and the Legislative Assembly. The Province is the primary shareholder.

- The Minister Responsible is accountable for ensuring that Cabinet's direction is provided to a Crown Agency (e.g., by way of annual Shareholder's letters of Expectations or Directives). Crown Agency Boards are stewards accountable for managing the corporation within the guidelines established by Government.
- While they are operationally autonomous, Crown Agencies must adhere to uniform standards of conduct established by Government.
- Reporting and accountability relationships are assured by way of such items as annual Service Plans and Financial Reports.
- Government's accountability regime for Crown Agencies is designed in a manner that is efficient for Crown Agencies and supports their superior performance.
- Crown Agencies are given the authorities required to deliver their mandate. Cabinet and/or Ministers Responsible typically will appoint the majority, or all, of the members of a Crown Agency Board, using a 'skills matrix' to support merit-base appointments.
- Ministers Responsible for Crown Agencies rely on a "no surprises" commitment on the part of Crown Agencies entailing open communications, full and timely information sharing and mutual support and cooperation between Ministry and Crown Agency staff.

### 3.3 VRTC

The Victoria Regional Transit Commission (VRTC) was established by the province to represent the Greater Victoria region in the matter of public transit services. Its membership, as defined by Section 25 (7) of the BC Transit Act, consists of the following 7 members who are appointed by the province:

- Mayor of Victoria
- A Victoria councillor
- Mayor of Esquimalt or Oak Bay
- Mayor of Saanich
- A Saanich councilor
- One of the following: Mayor of Sidney, Mayor of North Saanich, or Mayor of Central Saanich
- One of the following: Mayor of Colwood, Mayor of Metchosin, Mayor of View Royal, Mayor of Langford, Mayor of the Highlands, Mayor of Sooke, or the electoral area director of the Juan de Fuca electoral area.

Listed below are the primary responsibilities of the VRTC, as set out under Sections 15 and 25 (12) of the *BC Transit Act*:

- In consultation with local municipal officials and the public, prepare plans, set fares and determine service and performance standards for each public passenger transportation system in the regional transit service area. The VRTC makes these decisions based predominately on information and planning provided by BC Transit, including the operating and capital budgets set by BC Transit.
- Review and make recommendations to BC Transit respecting the budget of the Commission and the annual operating and capital budgets for each public passenger transportation system in the regional transit service area;
- Raise the local share of the annual cost of transit services in the Greater Victoria region. In this regard, the Commission is required annually to prescribe a tax on the net taxable value of land and improvements in the regional transit service area, and an applicable rate, and to transmit

this information to each of the constituent municipalities. The municipalities are required to collect the taxes and forward the monies to BC Transit.

The above notwithstanding, in accordance with Sections 8 (1) (g) and 12 of the BC Transit Act, it is BC Transit that sets the annual operating and capital budgets for the Greater Victoria regional transit service area after consultation with the Commission and the constituent municipalities.<sup>4</sup> It does so taking into account the annual operating costs of public passenger transportation services, the amounts required to amortize capital expenditures, and its internal operating costs to support the activities of the Commission.

This is consistent with Section 25 (2) of the BC Transit Act, whereby BC Transit is required to provide the Commission with clerical and technical employees that will enable the Commission '*to carry out its purposes and objects*'.

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<sup>4</sup> In this regard, IBI Group is advised that the CRD is not always fully consulted, thus adversely impacting the CRD's capability to deliver the services for which it is responsible. Further, given the composition of the VRTC, all of the local governments within the Greater Victoria region may also not be fully consulted.

## 4. Transit Governance Challenges and Change Objectives

Challenges associated with the current transit governance structure are discussed below. The discussion is organized under the following five (5) headings which we have interpreted (based on our literature review and stakeholder consultations) to be the principal change objectives:

- Leadership and authority for regional transit decision-making
- Responsiveness and accountability to local governments
- Strong partnership for transit planning and operational delivery
- Transit decision-making that is expedient and transparent
- Authority to manage transit funding and raise transit capital.

### 4.1 Leadership and Authority for Regional Transit Decision-Making

The Capital Regional District (CRD) is responsible for regional planning services for the entire Capital Region, including the advancement of transit priorities of regional interest.<sup>5</sup> This notwithstanding, in the context of the existing transit governance framework, the CRD functions predominately as a community stakeholder relying on strategic planning initiatives, consultation, collaboration and goodwill to achieve such objectives.

The CRD Board Strategic Plan, the Regional Growth Strategy, Regional Sustainability Strategy and Regional Transportation Plan (currently in development) are examples of strategic planning studies undertaken by the CRD. These planning studies, and numerous others, have repeatedly identified a critical need to integrate transit planning, funding and service prioritization in the capital regional district with land use decisions and decisions concerning other transportation modes.

Listed below are a number of the arguments in support of these regional sustainability goals, as derived from the previous planning studies:

- Without integrated decision-making, future major investments may not reflect regional or local planning priorities as may have been established by the CRD Board, member municipalities or electoral areas.
- A fragmented approach to transit, transportation and related land use decision-making and investment in the capital regional district could result in unintended consequences that may not be easily rectified (e.g., dispersed population and employment growth which may be difficult to sustain, increased traffic congestion, longer commutes/travel times, etc).
- The ability to access senior level government funding for transit in the capital regional district will increasingly depend on provision of matching funds, partnership agreements and demonstration of planning decisions that are reinforced in regional policy objectives that align with senior government priorities (vis-à-vis growth, economic sustainability, etc).

The above notwithstanding, and despite a general desire for change (by the CRD Board, member municipalities and electoral areas), current governance arrangements for transit, transportation and land use in the capital regional district are such that no one agency has direct authority for funding or investment decisions or to comprehensively address and advance these regional goals.

To this end, the CRD Board has repeatedly promoted a change in governance that would impart the CRD with leadership and authority for transit and transportation decisions affecting the region, and decisions concerning land use adjacent to major transit / transportation corridors. In the area of

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<sup>5</sup> Land use planning in Gulf Islands is done by Island Planning Trust.



regional transit, this would include authority to set transit priorities, make transit investment decisions, manage transit funding and raise transit capital.

Since CRD already has responsibility for regional governance and services, and since it already participates with higher level governments and agencies on major investments and capital planning on a variety of items (other than transit), CRD is well positioned to assume leadership and authority for transit investment decision-making.

## 4.2 Responsiveness and Accountability to Local Governments

“With the growth and change in the region as a whole, it is time to move to a new model for planning, funding and governing regional transit to enhance responsiveness and accountability to local governments”. This is a key message contained in the CRD’s submission to the BC Transit Independent Review Panel. It also is an opinion that was voiced repeatedly during our CRD stakeholder consultations.

In this, the issue is the makeup of the VRTC, which CRD stakeholder’s point out is not representative of the entire capital regional district. The VRTC consists of 7 elected officials representing only 5 of the 13 member municipalities and 3 electoral areas. The problem stems from the *BC Transit Act*, which establishes the VRTC as the transit oversight authority for the Greater Victoria region and also rigorously defines the membership.

For municipalities that are not members of VRTC the situation is described as being akin to “local taxation without representation”, meaning that they may not be fully consulted but are nevertheless financially obligated by the decisions arising from VRTC.

The situation is also described as being uncomfortable for VRTC officials i.e., having to make transit decisions that potentially may have significant capital implications to municipalities that are not present during the deliberations. As a result of this situation, we are advised that VRTC deliberations / decisions involving major capital are frequently drawn out for extended periods.

The proposed change in transit governance is to transfer the VRTC’s authority to the CRD, which by virtue of its Board of Directors representing all of the member municipalities and electoral areas (and the weighted representative decision making model that it uses), would be more representative and equitable than the current VRTC structure.

A related issue is that VRTC decisions are made entirely based on information and advice provided by BC Transit. VRTC has no staff of its own to independently assess / validate BC Transit’s advice or to ensure that local interests are adequately represented. Further, BC Transit, not the VRTC consults with local municipalities on specific transit facilities. In this, the BC Transit Board is authorized to act independently with respect to the acquisition of land within a municipality and may not consult the VRTC or the municipality.

The CRD has the capacity and experience to provide independent financial, managerial and planning advice in support of local decision makers. By transferring the transit governance authority to CRD, local governments would benefit from CRD’s in-house technical and professional resources who would assume such responsibilities on their behalf.

Since CRD is already legislatively enabled to establish services, regularly defines service levels and expectations as part of its core function (in matters other than transit) and has extensive planning experience in transit, transportation and land use, one may readily conclude that CRD has the necessary credentials to assume VRTC’s role in Regional transit.

### 4.3 Strong Partnership for Transit Planning and Operational Delivery

The BC Transit Independent Review Panel confirmed that BC Transit provides first-rate, efficient and cost-effective transit services to the people of British Columbia. However, while the delivery of transit services works well, the Review Panel also identified a need for stronger partnership and better communication around transportation planning and delivery.

From this, one may readily conclude that despite best efforts to the contrary, BC Transit's decisions may not always align with regional / municipal stakeholder interests (e.g., regional / municipal plans to integrate land use and transportation), particularly if such interests conflict with / adversely affect transit delivery costs or operational performance.

Given the current legislation, under the *BC Transit Act*, these findings are not unexpected. Conflicting objectives are unavoidable and by legislation, BC Transit is required to make / balance decisions based on a range of fiduciary, economic and operational considerations.

The proposed change in transit governance will not eliminate conflicting objectives. There will continue to be occasions where regional / municipal stakeholder interests will conflict with those of BC Transit, as they relate to transit delivery costs or operational performance. What the proposed governance change is intended to achieve is better delineation of decision-making responsibilities wherein, by way of CRD, regional / municipal stakeholders would have a stronger influence on planning decisions pertaining to service levels, costs, fares, etc.

More specifically, the proposed governance change is intended to achieve a stronger partnership for transit planning and operational delivery that more appropriately reflects regional / municipal stakeholder interests.

In this, the proposed change is envisaged to be a 'value added' change. It is not envisaged to be a 'wholesale' reconfiguration of the existing governance arrangement for transit delivery. Building on the first-rate, efficient and cost-effective transit services which BC Transit provides, BC Transit would continue to:

- Function as a Crown Agency accountable to the Minister responsible for Transit by way of a provincial *Shareholder Letter*, and also
- Serve as delivery agent / operator of the VRTS transit system in the Greater Victoria region. In this regard,
  - Delivering the services in accordance to performance standards, local / regional transit service plans and fares that would be established / reviewed annually in consultation with CRD, and formalized by way of an annual tri-party operating agreement <sup>6</sup>
  - Periodically providing operational and capital improvement analysis and recommendations, for independent review and evaluation by CRD in consultation with local governments and stakeholders
  - Bearing full responsibility for the day-to-day VRTS operations.

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<sup>6</sup> A practice adopted by BC Transit for municipalities outside of the Greater Victoria region. In the case of the Greater Victoria region the parties to the agreement(s) would include BC Transit, CRD and the individual local governments.

In this new governance arrangement the CRD, supported by in-house technical and professional resources, would assume the following responsibilities on behalf of regional / municipal interests:

- CRD would provide independent financial and managerial services, planning and evaluation, and advice relative to the regional transit system.
- CRD would establish / annually review performance standards, local / regional transit service plans and fares in consultation with local government decision makers, BC Transit and stakeholders.<sup>7</sup>
- CRD would formalize the above decisions / directions in annual tri-party operating agreements.
- CRD would provide direction respecting the above decisions / directions to BC Transit.
- CRD would independently review and evaluate BC Transit's analysis of operational and capital improvement requirements, making decisions and recommendations as appropriate.
- CRD would raise the local share of the annual cost of transit services in the Greater Victoria region. This would be done in a manner generally similar to the current process, which BC Transit administers on behalf of the VRTC i.e., by annually prescribing a tax and an applicable rate on the net taxable value of land and improvements in the regional transit service area, and once the money is collected by local governments, by distributing the monies received to BC Transit.
- CRD would assume leadership and authority for transit planning decisions affecting the Greater Victoria region. This would include authority to set transit priorities, make transit investment decisions, manage transit funding and serve as advocate to raise transit capital (as further discussed below in Section 4.5).

#### 4.4 Transit Decision-Making that is Expedient and Transparent

The VRTC consists of 7 elected officials representing only 5 of the 13 member municipalities and 3 electoral areas. VRTC decisions are based on information and advice provided by BC Transit. VRTC has no staff of its own to independently assess / validate BC Transit's advice or to ensure that local interests are adequately represented. Also, there is no service agreement(s) setting out local / regional service expectations within the Greater Victoria region.<sup>8</sup>

For these reasons and others, the current VRTC governance arrangement is not considered to be either expedient or transparent.

The proposed change in transit governance is to transfer the VRTC's authority to the CRD, which by virtue of its Board of Directors representing all of the member municipalities and electoral areas (and the weighted representative decision making model that it uses), would be more representative and equitable – and transparent - than the current VRTC structure.

The size of the CRD Board, consisting of 24 members, may be seen as a potential drawback to the proposed governance arrangement (i.e., it may be considered to be more cumbersome than VRTC which consists of only 7 members). To address this concern the Board could delegate the regional transit responsibility to a commission or standing committee consisting of fewer members and still maintain region-wide representation. Such options are examined in Section 5.3 of this report.

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<sup>7</sup> Functions that currently are performed by BC Transit on behalf of the responsible party (i.e., VRTC).

<sup>8</sup> Whereas, outside the Greater Victoria region, municipalities have individual operating agreements defining service expectations of BC Transit.

## 4.5 Authority to Manage Transit Funding and Raise Transit Capital

Authority to manage transit funding is arguably one of the strongest mechanisms by which a governmental agency may exercise influence and control over transit investment decision-making. Under the proposed governance change, authority for transit planning decisions affecting the Greater Victoria region would be assumed by the CRD. This would include authority to set transit priorities, make transit investment decisions, manage transit funding and raise transit capital.

By way of background, operating funds for the Victoria Regional Transit System come from the following sources: fare box revenue, advertisement, provincial subsidy, property tax and provincial fuel tax.

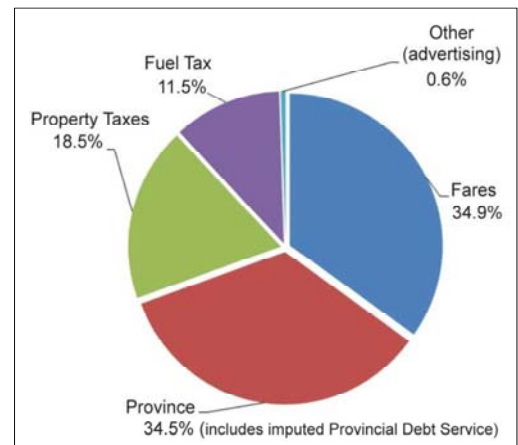
- Fare box revenue and advertisement: This money is raised or collected directly by BC Transit. Under the proposed governance arrangement this would not change.

- Provincial subsidy: As prescribed by the *BC Transit Act*, for systems operating in the Greater Victoria region the BC Government provides an annual provincial subsidy that is intended to cover a share of the annual transit operating cost, including the imputed capital debt service expenditure.<sup>9</sup> For conventional transit services, the provincial subsidy for transit operations is about 31.5% of the total annual cost. For custom transit services it is 63%. BC Transit administers these funds on behalf of the VRTC. Under the proposed governance arrangement the CRD would administer and manage these funds.

- Property tax: Under the current governance arrangement VRTC is responsible to raise the local share of the annual cost of transit services in the VRTS service area.<sup>10</sup> This includes annually prescribing a tax and an applicable rate on the net taxable value of land and improvements in the regional transit service area, and to administer the monies received. Since VRTC does not have staff resources, the process is administered on their behalf by BC Transit. Under the proposed governance arrangement the CRD would administer the process and manage the funds.

- Provincial fuel tax: Under the *BC Motor Fuel Tax Act*, VRTC is eligible for the money generated by way of a 3.5 cents per litre provincial fuel tax applied at point of sale (i.e., gas station pump) within the VRTS service area.<sup>11</sup> Since VRTC does not have staff resources, the fuel tax collection process is administered on their behalf by BC Transit. Under the proposed governance arrangement the CRD would administer the process and manage the funds.

Exhibit 4.1  
VRTS Funding Sources



Source: "Regional Transit Local Funding Options - Technical Report", Victoria Transport Policy Institute, August 2012. The percentages shown are blended values based on the total funding for conventional and custom transit, for fiscal year 2010/11.

<sup>9</sup> Unlike the Metro Vancouver area where the province contributes only to transit capital (not transit operating).

<sup>10</sup> The VRTS service area differs slightly from the Greater Victoria region for which the CRD is responsible. Smaller in size, it is defined to include all incorporated municipalities in the CRD and that portion of the Juan de Fuca electoral area outside of Malahat and Renfrew Land districts. The VRTS service area also does not include Salt Spring Island which has a separate transit service arrangement. VRTC's ability to annually prescribe a tax and applicable rate for transit is restricted to the VRTS service area. It does not extend throughout the entirety of the CRD. The collection of provincial fuel tax monies is similarly restricted to the VRTS service area.

<sup>11</sup> Refer to Section 12.1 of the Act.

Senior level governments periodically introduce special funding programs to promote one or another public policy initiative (i.e., to promote a healthier urban environment through higher order transit initiatives, transit / land use intensification, etc). Access to such funding programs is typically by way of merit-based application processes.

It is generally acknowledged that the capital regional district's ability to access senior level government funding for both transit operations and capital (e.g., federal gas tax monies) will increasingly depend on provision of matching funds, partnership agreements and demonstration of planning decisions that are reinforced in regional policy objectives that align with senior government priorities (vis-à-vis growth, economic sustainability, etc). Given CRD's experience working with the Health Authority and other agencies, serving as an advocate for senior level government funding is an area in which the CRD is well suited to play a meaningful role.<sup>12</sup>

Similarly, for priority investment decisions, the CRD could well serve as advocate in direct negotiations with the province for additional transit capital.

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<sup>12</sup> The federal gas tax program serves as an additional funding source for transportation (and transit) capital initiatives in the region. The monies are intended solely for capital initiatives. They may not be used to supplement operations budgets. The amount of money directed to the region is based on a per capita allocation. According to terms set out in the Gas Tax agreement for BC, 25% of the total regional allocation goes directly to CRD, 50% goes directly to local governments and the remaining 25% is awarded to local governments based on a merit-based application process. Under the proposed governance arrangement the CRD would administrate the entire gas tax allocation to the region (i.e., an arrangement similar to that of Translink in Metro Vancouver).

## 5. Alternative Transit Governance Arrangements

This section of the report discusses three (3) alternative governance arrangements that potentially could meet some or all of the change objectives set out previously in Section 4. They are:

- Option 1: CRD Board to replace VRTC
- Option 2: CRD Regional Transit Commission to replace VRTC
- Option 3: CRD Regional Transit Committee to replace VRTC

### 5.1 Definitions

The terms “Board”, “Commission” and “Committee” are defined by Capital Regional District Bylaw No. 3828, November 2012. Roles pertaining to Commissions and Committees are set out in Part 4, Sections 26 to 34 of the Bylaw. For the reader's convenience these sections are appended to this report as Appendix F.

As described in the bylaw, “Board” means the governing and executive body of the CRD, whereas “Commission” and “Committee” mean the following.

#### 5.1.1 Commission

“Commission” means a commission, local service committee or service committee established by the Board under section 176(1) (g) of the *Local Government Act*. Commission features of particular relevance to this investigation are discussed below:

- Commission must be established by a bylaw
- Commission representation is defined by the bylaw. Members may include Board members, local officials who are not Board members and private citizens
- The ‘purpose’ of the Commission is defined by the bylaw, as are the services that the CRD Board expects the Commission to perform
- Board delegates authority for decision-making in respect of the ‘purpose’ to the Commission. Thereafter, the Commission operates “at arms length” from the Board (i.e., Commission does not require Board approval for its decisions)
- The above notwithstanding, Commissions are required to prepare and submit an annual budget for the approval of the Regional Board. The annual budget is to be fully comprehensive and include estimates for administration, development, maintenance, operations, expenses (including debt charges) and expected revenues.

The Regional Water Supply Commission, established by way of Bylaw No. 2539 (and amended by Bylaw No. 3371), is an example of such a governance arrangement.

The CRD Board created the Water Supply Commission to manage the water supply function. The Water Supply Commission’s responsibilities extend across the full spectrum of water supply, including the provision of high quality water, conservation, and stewardship in conjunction with local governments and other stakeholders over the water supply catchment area. In these matters the Board has delegated authority for decision-making to the Water Supply Commission, and the Commission operates “at arms length” from the Board; albeit, the Commission must operate within the annual operating budget approved by the Board.

Representation on the Water Supply Commission is defined by the establishing bylaw. In this instance representation is based on population (each municipality appointing members of Council equivalent to the number of council members that the municipality has on the Regional Board plus a director for the participating electoral area) and decisions are made by way of a weighted voting process on the same basis as for the CRD Board.

### 5.1.2 Committee

“Committee” means a standing, advisory, select or other committee of the Board, but does not include a Committee of the Whole Board, a local service committee or a service committee. In this regard, features of particular relevance to this investigation are discussed below:

- The Board does not require a bylaw to establish a Committee. The Board would simply approve a terms of reference (and resolution) setting out the Committee's mandate.
- The nature of a Committee, whether standing, advisory or select, is defined primarily by its mandate:
  - Standing Committee's mandate relates to a CRD service or potential service.
  - Advisory Committee's mandate is to provide advice and recommendations to the Board (or to a Standing Committee of the Board) on a specific matter or resolution.
  - Select Committee's mandate is to consider or inquire into a specific issue referred to it by the Board. A Select Committee will cease to exist once it has reported its findings.
- IBI Group's use of the term Committee in the context of this investigation is intended to mean a Standing Committee. Only Board Members may be appointed to a Standing Committee.
- The general duties of a Standing Committee are: to consider matters referred by the Board, to carry out the instructions of the Board and to present findings and recommendations for the Board's consideration and approval. In this regard, the Standing Committee will report to the Board from time to time, or as otherwise required.
- Unlike a Commission, a Standing Committee may not operate autonomously. Committee findings and recommendations must go to the Board for approval.
- A Standing Committee may establish and refer specific matters or resolutions to an Advisory Committee for advice and recommendations.
- One reason a Standing Committee may establish an Advisory Committee is to bring requisite expertise to an issue. Another is to ensure that an issue / priority to a particular community is appropriately attended.
- While the rules concerning Standing Committee representation are stringent (i.e., only Board Members may be appointed), those pertaining to an Advisory Committee are much more flexible. An Advisory Committee must include at least one (1) member of the CRD Board. That aside, persons who are not Board members may be appointed to an Advisory Committee. This could include local officials who are not Board members and private citizens.



## 5.2 Features Common to All Options

*BC Transit would continue:*

- Function as a Crown Agency accountable to the Minister responsible for Transit by way of a provincial *Shareholder Letter*, and also
- Serve as delivery agent / operator of the VRTS transit system in the Greater Victoria region. In this regard,
  - Delivering the services in accordance to performance standards, local / regional transit service plans and fares that would be established / reviewed annually in consultation with CRD, and formalized by way of an annual tri-party operating agreement
  - Periodically providing operational and capital improvement analysis and recommendations, for independent review and evaluation by CRD in consultation with local governments and stakeholders
  - Bearing full responsibility for the day-to-day VRTS operations.

*CRD, supported by in-house technical and professional resources, would assume the following responsibilities on behalf of regional / municipal interests:*

- CRD would provide independent financial and managerial services, planning and evaluation, and advice relative to the regional transit system.
- CRD would establish / annually review performance standards, local / regional transit service plans and fares in consultation with local government decision makers, BC Transit and stakeholders.
- CRD would formalize the above decisions / directions in annual tri-party operating agreements.
- CRD would provide direction respecting the above decisions / directions to BC Transit.
- CRD would independently review and evaluate BC Transit's analysis of operational and capital improvement requirements, making decisions and recommendations as appropriate.
- CRD would raise the local share of the annual cost of transit services in the Greater Victoria region. This would be done in a manner generally similar to the process, which BC Transit currently administers on behalf of the VRTC, albeit the CRD would assume the responsibility for administration.
- CRD would assume leadership and authority for transit planning decisions affecting the Greater Victoria region. This would include authority to set transit priorities, make transit investment decisions, manage transit funding and serve as advocate to raise transit capital.



## 5.3 Alternative Transit Governance Arrangements

### 5.3.1 Option 1: CRD Board to Replace VRTC

In this option (shown in Exhibit 5.1) the 24-member CRD Board of Directors would replace and assume the authorities currently vested in VRTC.

#### *Pro's*

Strengths associated with this option include:

- Imparts in CRD Board, leadership and authority for regional transit decision-making
- Enhances responsiveness and accountability to local governments
- Results in a strong partnership (with BC Transit) for transit planning and operational delivery
- Imparts in CRD, authority to manage transit funding and raise transit capital.

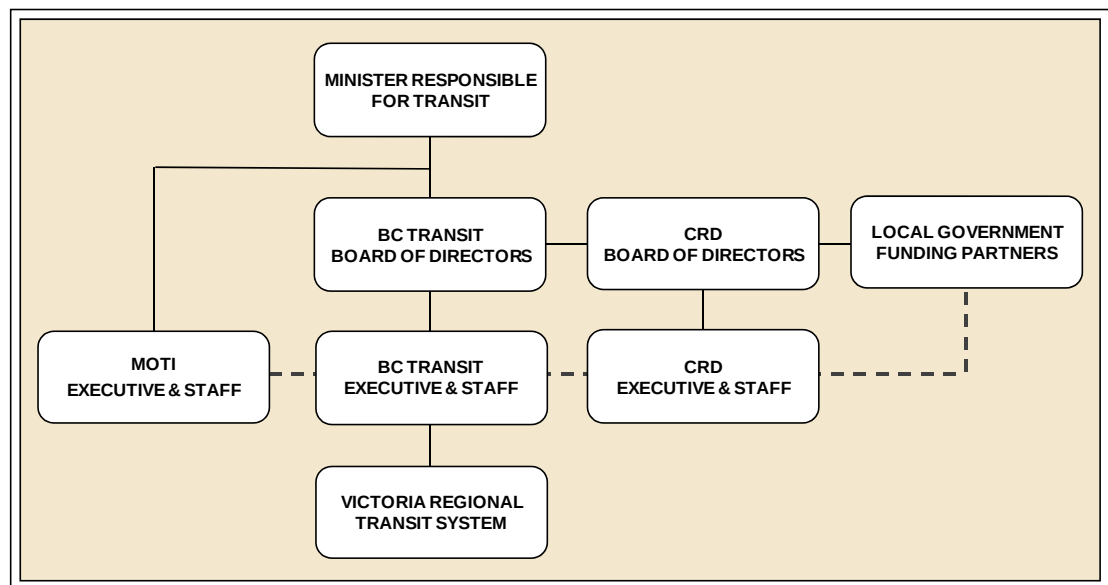
Further, by virtue of the CRD Board, which represents all of the member municipalities and electoral areas, this option would be more representative, equitable and transparent than the current VRTC structure (consisting of 7 members representing 5 municipalities).

#### *Con's*

A key challenge (weakness) associated with this option is the size of the CRD Board, which from a perspective of promoting expedient decision-making, may be more cumbersome than the current 7-member VRTC.

To address this concern the Board could delegate the regional transit responsibility to a commission or standing committee consisting of fewer members and still maintain region-wide representation. Such options are examined in Sections 5.3.2 and 5.3.3 of this report.

Exhibit 5.1  
Option 1: CRD Board to Replace VRTC



### 5.3.2 Option 2: CRD Regional Transit Commission to Replace VRTC

In this option (shown in Exhibit 5.2) the CRD Board, by way of a bylaw, would establish and delegate the responsibility for regional transit decision-making to a “CRD Regional Transit Commission”.

The bylaw will define the ‘purpose’ of the Regional Transit Commission and the services that the CRD Board expects the Commission to perform. This, as discussed previously, would involve assuming leadership and authority for transit planning decisions affecting the Greater Victoria region, including authority to set transit priorities, make transit investment decisions, manage transit funding and serve as advocate to raise transit capital.

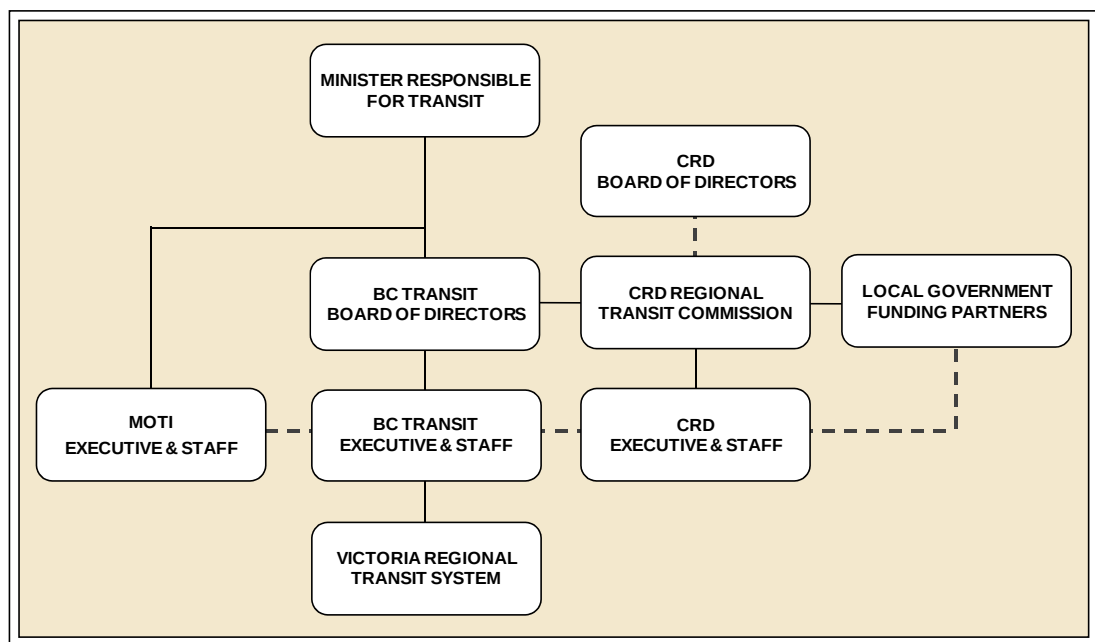
As in the Water Supply arrangement, the Board would delegate authority for decision-making in respect of Regional Transit to the Commission, and the Commission would operate “at arms length” from the Board.

The above notwithstanding, the Regional Transit Commission will be required to prepare and submit an annual budget (including all expenses and expected revenues) for the approval of the Regional Board.

The bylaw will define Regional Transit Commission representation. Members may include Board members, local officials who are not Board members and private citizens.

Representation on the Water Supply Commission is based on population and decisions are made by way of a weighted voting process on the same basis as for the CRD Board. The Regional Transit Commission could emulate this arrangement or alternatively, it could consist of fewer members – potentially only one representative from each of the 13 municipalities and a representative for the participating electoral areas, and the voting process may not be weighted.

Exhibit 5.2  
Option 2: CRD Regional Transit Commission to Replace VRTC



In such matters, the Board's decisions (and bylaw) will come down to what the Board considers to be of greater priority, for example whether it be more important to ensure weighted representation, or to establish a lean organization capable of operating expediently, etc.

If the Board should choose to implement a lean Commission consisting of one representative from each participating municipality, then from the perspective of size and local government representation, this option would be similar to an alternative introduced by the BC Transit Independent Review Panel (wherein they suggested that perhaps VRTC should be expanded to 13 members). That aside, from a governance perspective the two models are distinctly different. This is discussed further in Section 5.4 of this report.

### **Pro's**

Strengths associated with this option include:

- Imparts in a Regional Transit Commission, leadership and authority for regional transit decision-making
- Results in a strong partnership (with BC Transit) for transit planning and operational delivery
- Potential to establish a lean organizational structure (Commission) capable of operating expediently
- Despite the potential for a lean organizational structure, the Commission would represent all of the member municipalities and the electoral areas.

### **Con's**

By definition, a decision to vest authority for transit decision-making to another body (i.e., a Commission established via a bylaw) would conflict with the CRD Board's stated change objective, which is to assume a more direct / active role for transit planning and funding decisions affecting the Greater Victoria region.

This option, which delegates regional transit decision-making to a Commission, may be viewed as potentially defeating one of CRD's main objectives, which is to enhance responsiveness and accountability to local governments since, from a transit perspective, local governments would be required to deal with the Commission (a separate body) in lieu of the CRD Board.

While a lean Commission structure, potentially consisting of one representative from each participating municipality and a voting process that is not weighted, may operate expediently it may not properly reflect the variance in transit interests and priorities among local governments in the region. For this reason it has been suggested that representation and weighted voting based on population (on the same basis as for the CRD Board) would be more appropriate.

### 5.3.3 Option 3: CRD Regional Transit Committee to Replace VRTC (Preferred)

In this option (shown in Exhibit 5.3) the CRD Board, by way of an approved terms of reference, would establish a standing committee of the Board to be known as the “CRD Regional Transit Committee”.

The terms of reference would define the Regional Transit Committee’s mandate, which generally would be to carry out transit planning, to consider related matters referred by the Board (i.e., transit service, operations and finance), to carry out the instructions of the Board and to present findings and recommendations for the Board’s consideration and approval.

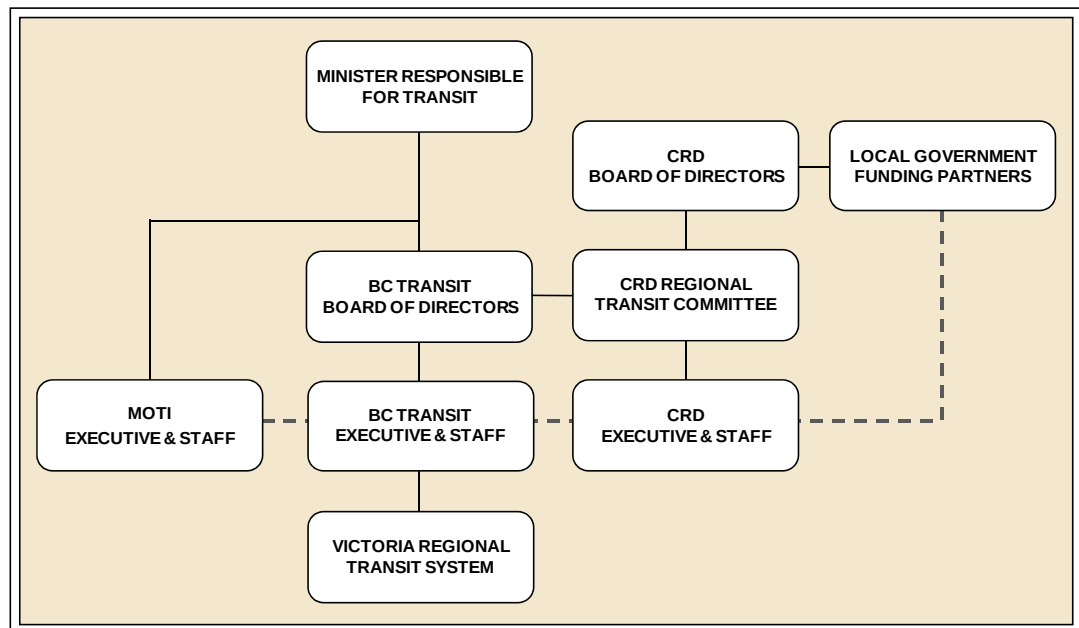
Unlike the Commission in Option 2, the Regional Transit Committee will not operate autonomously. The CRD Board of Directors will retain leadership and authority for transit planning and funding decisions affecting the Greater Victoria region, including setting transit priorities, making transit investment decisions, managing transit funding and serving as advocate to raise transit capital. These responsibilities would not be imparted to the Regional Transit Committee.

The Regional Transit Committee will develop findings and recommendations based on planning and evaluation. The recommendations will be presented to the Board for consideration and approval. In this regard, the Committee will report to the Board at scheduled intervals and as otherwise required.

In a sense one might characterize the Regional Transit Committee’s role as performing the heavy lifting on behalf of the CRD Board who will serve as the approval / decision-making authority.

By definition, only Board Members may be appointed to the Regional Transit Committee. That aside, by way of the terms of reference, it is the CRD Board that will decide on the size of the Committee.

Exhibit 5.3  
Option 3: CRD Regional Transit Committee to Replace VRTC (preferred)



The Board may decide that Committee representation should be based on population (on the same basis as for the CRD Board), as this will ensure that transit interests and priorities among local governments in the region are appropriately reflected. Alternatively, in consideration of expediency

and transparency, the Board may decide to implement a leaner Committee construct. Regardless, the Regional Transit Committee will not be making decisions. That will be the Board's responsibility, and the Board's decision-making process will involve a weighted vote based on population.

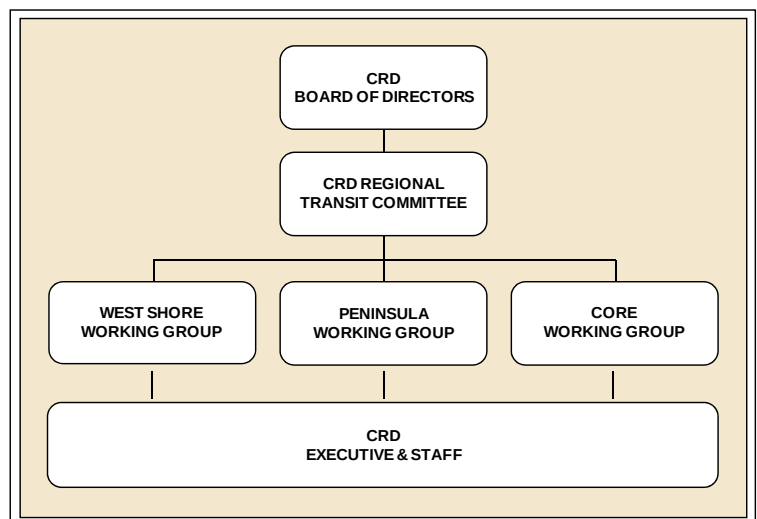
It has been suggested that the Regional Transit Committee might establish a working group (Advisory Committee) substructure, this for several reasons: to bring requisite expertise to an issue, to ensure that an issue / priority to a particular community is appropriately attended, and for reasons of expediency.

As discussed previously, such a substructure is permitted by CRD Bylaw No. 3828, which sets out the rules for CRD Commissions and Committees. Moreover, under the existing rules a Standing Committee (such as the proposed Regional Transit Committee) may offer Advisory Committee appointments to persons other than Board members, including other local officials and private citizens.

A potential sub-structure is shown in Exhibit 5.4. In this example, the working group sub-structure may be designed to include:

- Select members of the Board/ Committee who represent specific community transit interests,
- Other local officials who would participate at the invitation of the Committee, to ensure that local transit interests are appropriately attended, and
- CRD staff support.

Exhibit 5.4  
Potential Working Group Substructure



### Pro's

Strengths associated with this option include:

- Imparts in the CRD Board, leadership and authority for regional transit decision-making, including authority to manage transit funding and raise transit capital
- Having the CRD Board retain leadership and authority for regional transit decision-making will not only ensure accountability and transparency for decisions, it will also ensure responsiveness and accountability to local governments
- Weighted voting process used by the CRD Board will ensure that transit interests and priorities among local governments in the region are appropriately reflected
- Will result in a strong partnership (with BC Transit) for transit planning and operational delivery
- The Committee and working group substructure could serve expediently as the CRD Board's day-to-day instruments in matters pertaining to transit.

### Con's

We are unable to identify any significant downside to this option.

## 5.4 Assessment Summary

Exhibit 5.6 (next page) presents a comparative assessment of the alternative options relative to the intended governance change objectives. For the reader's convenience, the assessment is extended to include the Status Quo (VRTC) governance arrangement for transit and the expanded VRTC governance arrangement that the BC Transit Independent Review Panel suggested as an additional alternative.

As depicted below by the Assessment Summary (Exhibit 5.5), among the alternatives considered Option 3 "CRD Regional Transit Committee to Replace VRTC" comes closest to meeting all of the intended governance change objectives.

Exhibit 5.5  
Assessment Summary

| Assessment Criteria                                                 | VRTC Options                                                                        |                                                                                     | CRD Options                                                                           |                                                                                       |                                                                                       |
|---------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
|                                                                     | Status Quo                                                                          | Expanded VRTC<br>(per Independent Review Panel)                                     | 1<br>CRD Board<br>to Replace VRTC                                                     | 2<br>CRD Regional<br>Transit<br>Commission<br>to Replace VRTC                         | 3<br>CRD Regional<br>Transit<br>Committee<br>to Replace VRTC                          |
| 1. Leadership and Authority for Regional Transit Decision-Making    |    |    |    |    |    |
| 2. Responsiveness and Accountability to Local Governments           |   |   |   |   |   |
| 3. Strong Partnership for Transit Planning and Operational Delivery |  |  |  |  |  |
| 4. Transit Decision-Making that is Expedient and Transparent        |  |  |  |  |  |
| 5. Authority to Manage Transit Funding and Raise Transit Capital    |  |  |  |  |  |

 Does Not Meet Criterion



 Fully Meets Criterion

Exhibit 5.6  
Comparative Assessment of Alternative Options

| Assessment Criteria                                                        | VRTC Options                                                                                                                                                         |                                                                                                                                                         | CRD Options                                                                                                                                  |                                                                                                                                                                                                        |                                                                                                                                                                                            |
|----------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                            | Status Quo                                                                                                                                                           | Expanded VRTC<br>(per Independent Review Panel)                                                                                                         | 1<br>CRD Board<br>to Replace VRTC                                                                                                            | 2<br>CRD Regional Transit<br>Commission<br>to Replace VRTC                                                                                                                                             | 3<br>CRD Regional Transit<br>Committee<br>to Replace VRTC                                                                                                                                  |
| <b>1. Leadership &amp; Authority for Regional Transit Decision-Making</b>  | Authority rests with VRTC<br>CRD serves as community stakeholder<br>Fragmented approach to transit decision-making and investment                                    | Authority rests with VRTC<br>CRD serves as community stakeholder<br>Fragmented approach to transit decision-making and investment                       | CRD Board assumes authority<br>Integrated approach to transit decision-making and investment                                                 | CRD Commission assumes authority<br>Potential disconnect with CRD Board<br>Integrated approach to transit decision-making and investment                                                               | CRD Board assumes authority<br>Decision-making is based on planning & evaluation by a Standing Committee<br>Integrated approach to transit decision-making and investment                  |
| <b>2. Responsiveness and Accountability to Local Governments</b>           | 7 members (5 municipalities)<br>Local governments are not always fully consulted                                                                                     | Expand to 13 members<br>Local governments may not always be fully consulted<br>1 vote per municipality may not properly reflect local transit interests | All local governments would be represented<br>Representation and weighted voting based on population (24 members)                            | Diminishes linkage between local governments and CRD Board<br>Voting may range from 1 per municipality to population-based<br>1 vote per municipality may not properly reflect local transit interests | Committee and working group substructure could serve expediently as the Board's day-to-day instruments<br>Representation and weighted voting based on population by CRD Board (24 members) |
| <b>3. Strong Partnership for Transit Planning and Operational Delivery</b> | BC Transit operates VRTS<br>VRTC relies on BC Transit staff for planning and evaluation / no independent validation<br>No service agreement(s) defining expectations | BC Transit to continue to operate VRTS & to provide planning and evaluation w/o independent validation<br>No service agreement(s) defining expectations | BC Transit to continue to operate VRTS<br>CRD staff to provide independent planning & evaluation<br>Service agreement(s) to be established   | BC Transit to continue to operate VRTS<br>CRD staff to provide independent planning & evaluation<br>Service agreement(s) to be established                                                             | BC Transit to continue to operate VRTS<br>CRD staff to provide independent planning & evaluation<br>Service agreement(s) to be established                                                 |
| <b>4. Transit Decision-Making that is Expedient and Transparent</b>        | Local government interests are not fully represented<br>No service agreements, no independent evaluation, etc                                                        | Conditions set out under status quo may continue                                                                                                        | Transparency by way of weighted representation, independent evaluation & service agreements<br>Size of CRD Board may be a potential drawback | Transparency via independent evaluation & service agreements<br>1 vote per municipality would reduce transparency / weighted representation may be cumbersome                                          | Transparency by way of weighted representation, independent evaluation & service agreements<br>Expediency by way of Committee & working group substructure                                 |
| <b>5. Authority to Manage Transit Funding and Raise Transit Capital</b>    | Currently a fragmented approach to managing transit funding and investment                                                                                           | Conditions set out under status quo may continue                                                                                                        | CRD Board would assume accountability for administration of transit funding & transit investment                                             | Vesting accountability for transit funding in a Commission may diminish CRD Board's capabilities to advocate for transit capital                                                                       | CRD Board would assume accountability for administration of transit funding & transit investment                                                                                           |

## 6. Potential Governance Arrangement for Regional Transportation Services

As demonstrated by Appendix C, which contains a chart summarizing the current governance arrangements for transportation and land use in the capital regional district, advocating for regional multi-use (pedestrian and cycling) trails is the role most often associated with CRD. For other transportation services (including public transit and the arterial road network), the CRD's role is predominately that of a community stakeholder, leading or participating actively in strategic planning, consultation and collaboration.

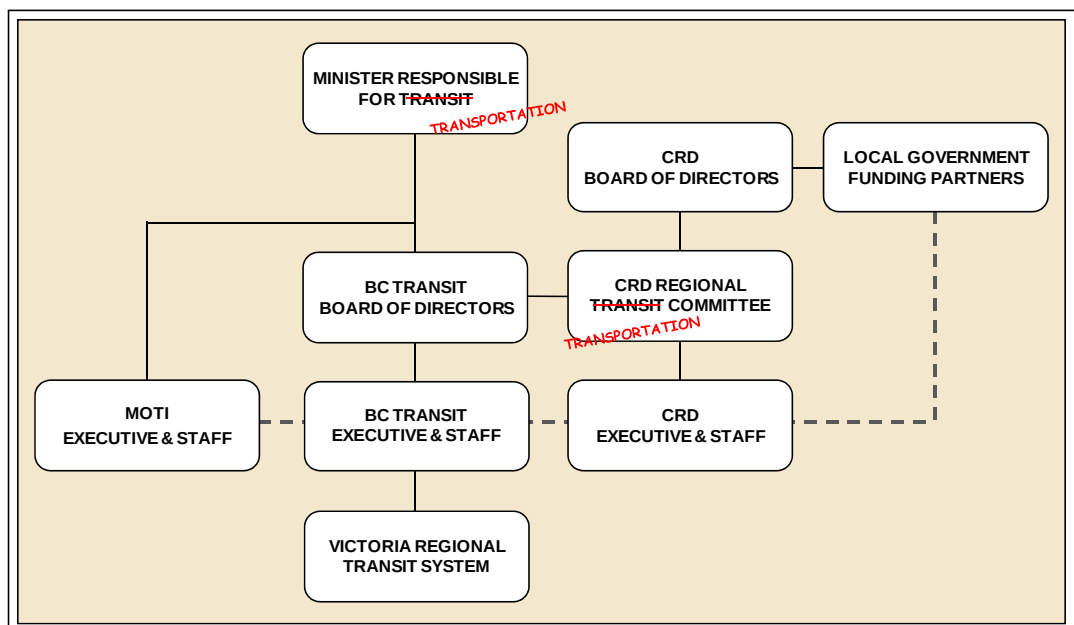
As further demonstrated by Appendix C, current governance arrangements for transportation and land use in the capital regional district are such that no one agency has direct authority for establishing, funding or implementing regional transportation priorities. The CRD Board has repeatedly promoted a change in governance that would impart the CRD with leadership and authority for transit and transportation decisions affecting the region, and decisions concerning land use adjacent to major transit / transportation corridors.

The CRD's preferred governance direction involves the establishment of a Regional Transportation Service having regional governance and authority for public transit, as well as enhanced roles for arterial roads, inter-community cycling network, demand management and land use adjacent to major transportation corridors and nodes. By way of this Regional Transportation Service the CRD Board would be vested with authority to define regional transportation priorities, make transportation investment decisions, manage transportation funding and raise transportation capital.

Appendix E presents a list of potential responsibilities that a CRD Regional Transportation Service would assume. The information was extracted from a CRD staff report, June 15, 2011.

Exhibit 5.3 presented a preferred regional transit governance arrangement. Exhibit 6.1 shows schematically how the CRD might build on that model to arrive at a governance arrangement for regional transportation services.

Exhibit 6.1  
Potential Governance Arrangement for Regional Transportation Services





## Appendix A - Bibliography

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- “BC Local Government Act”
- “BC Transit Act”

### CRD

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- “Staff Notes from Transportation Select Committee Meeting of November 21, 2012

### BC Transit

- “Transit Future Plan – Victoria Region”, BC Transit, May 2011
- “Annual Report 2011/2012”, BC Transit

## Appendix B - Stakeholders

### CRD Transportation Select Committee

- Dean Fortin, Mayor, City of Victoria / Chair
- Wendal Milne, Mayor, District of Sooke / Vice Chair
- Frank Leonard, Mayor, District of Saanich / former Chair

### BC Transit

- Manual Achadina, President and CEO
- Erinn Pinkerton, Director of Strategic Planning
- Mike Davis, Chief Operating Officer

### Ministry of Transportation and Infrastructure (MOTI)

- Derek Drummond, Assistant Regional Director
- Renee Mounteney, District Manager
- Kevin Volk, Sr. Manager, Transit Projects, Transit Branch, Partnerships Department
- John Schnablegger, Regional Manager Programming, Partnerships and Planning

### CRD Staff

- Robert Lapham, General Manager, Planning and Protective Services
- Marg Misek-Evans, Senior Manager, Planning and Protective Services, Regional Planning
- Malcolm MacPhail, Sr. Transportation Planner, Planning and Protective Services, Regional Planning

## Appendix C

### Current Transportation and Land Use Governance in the Capital Regional District

(Derived from Appendix 4 of CRD Staff Report, June 15, 2011)

The exhibit below summarizes the governance arrangements for transportation and land use in the capital regional district. For convenience, roles are categorized as: primary (most influential, often through outright authority); cooperative (influential through collaboration and funding contributions); and consultative (least influential, reliant on indirect authorities and goodwill).

|                                                                    | MOTI                                                                                                                                      | CRD                                                                                                                                                                                | BC Transit                                                                                                                                                    | Municipalities                                                                                                                                                             |
|--------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Provincial Highways</b>                                         | <b>Primary Role</b><br>Planning, design, standards & priority setting<br>Operation/Maintenance<br>Regulation, Oversight & Funding         | <b>Consultative Role</b><br>Principally through planning initiatives to achieve sustainable transportation goals for the region                                                    | <b>Cooperative Role</b><br>For transit operating on provincial highways e.g., coordinate planning, transit priority measures and cost sharing                 | <b>Cooperative Role</b><br>For arterial intersections and interchanges                                                                                                     |
| <b>Regional Arterial Roads</b>                                     | <b>Cooperative Role</b><br>Planning for integration of highway network with local road networks                                           | <b>Consultative / Cooperative Role</b><br>Principally through strategic planning initiatives e.g., corridor study, RGS, RSS, Pedestrian and Cycling plans                          | <b>Cooperative Role</b><br>For transit operating on municipal arterial roads                                                                                  | <b>Primary Role</b><br>Planning, design, standards & priority setting<br>Operation/Maintenance<br>Regulation, Oversight & Funding (tax base, dc's & government grants)     |
| <b>Regional Transit Network</b>                                    | <b>Cooperative Role</b><br>For transit operating on provincial highways<br>Contribution of capital and operating funds                    | <b>Consultative / Cooperative Role</b><br>Principally through strategic planning initiatives e.g., RGS, RSS, Pedestrian and Cycling plans                                          | <b>Primary Role</b><br>Planning, design, standards & priority setting<br>Operation/Maintenance<br>Regulation/Oversight<br>Set budgets, service levels & fares | <b>Cooperative Role</b><br>Principally through transit route planning initiatives, maintenance of bus stops and shelters & property tax contributions to transit operating |
| <b>Regional Multi-Use Trails</b>                                   | <b>Cooperative Role</b><br>Leases Galloping Goose right of way to CRD                                                                     | <b>Primary Role</b><br>Planning, design, operation, maintenance, regulation, oversight and funding of trail system (Galloping Goose, E & N Trail, and parts of the Lochside Trail) | <b>Cooperative Role</b><br>Makes use of trails for rapid transit (e.g., Galloping Goose) and commuter rail services (e.g., E & N Trail)                       | <b>Cooperative Role</b><br>Principally through Community and Local Area Planning, and by maintaining trail sections on municipal roads                                     |
| <b>Land Use Adjacent to Regional Corridors &amp; Network Nodes</b> | <b>Consultative Role</b><br>Principally through policy guidelines and approvals of development applications adjacent to highway corridors | <b>Primary Role</b><br>Principally through land use and transportation policy planning, comment / approval of development applications, and property tax requisitions              | <b>Consultative Role</b><br>Principally through transit supporting land use policies recommended in transit plans                                             | <b>Primary Role</b><br>Principally through approval authorities set out in Official Community Plans, zoning bylaws, municipal property taxes & development contributions   |

## Appendix D

# Transit Responsibilities to be Transferred from VRTC

(Extracted from Appendix 6 of CRD Staff Report, June 15, 2011)

### Authorities Requiring Legislative Change to the BC Transit Act

- Develop and recommend to BC Transit annual and capital budgets for the Victoria Regional Transit System
- Approve strategic plans, approve service plans, set fares, service levels and performance standards for the Victoria Regional Transit System
- Negotiate with the province regarding provincial and local contributions for the Victoria Regional Transit System's annual operating and capital budgets
- Establish transit property tax rates for the Victoria Regional Transit System service area
- Endorse, recommend and negotiate with the province changes to the transit fuel tax levy for the Victoria Regional Transit System service area
- Develop investment plans for major regional transit projects, priorities and initiatives and negotiate with the province regarding the provincial share

### Other Authorities Requiring Legislative Change Outside the BC Transit Act

- Allocate resources from provincial and federal government transportation infrastructure grant programs and Gas Tax funds to regional transit priorities, projects and programs
- Approve RCS of Municipal Official Community Plans and endorse, Local Area Plans and Transportation Master Plans to ensure consistency with Board approved strategic directions for the regional transit system
- Approve and apply development cost charges and amenity provisions in negotiations with developers, the province and municipalities, for developments within 400 metres from the frequent and rapid transit networks, and within 400 metres from transit exchanges and rapid transit stations, to support transit network and service development
- Evaluate BC Transit strategic transit plans, for consistency with direction provided by the RGS/RSS, TravelChoices and the CRD Transportation Corridor Plan
- Develop 10 year transit capital plans and budgets with recommended sources of funding which will include provincial and federal government transportation infrastructure grant programs, Gas Tax allocations and regular sources of revenue (fares, property tax and fuel tax)
- Evaluate BC Transit annual service plans and operating budgets to ensure consistency with strategic transit plans and the TravelChoices transit sub-strategy
- Evaluate, and negotiate BC Transit requests for changes to transit fares and local taxes
- Negotiate with developers, provincial and municipal staff, and BC Transit for setting appropriate regional development cost charges and amenity provisions for developments 400 metres from

frequent and rapid transit networks and 400 metres from transit exchanges and rapid transit stations

- Review and evaluate municipal Official Community Plans, Local Area Plans and Transportation Master Plans in terms of consistency with strategic directions for transit as stated in the RGS/RSS, TravelChoices, Transportation Corridor Plan and CRD strategic transit plans
- Apply the regional transportation model and other simulation techniques to evaluate major transit projects and the impacts on public transit of major regional transportation and development projects
- Establish and chair a Regional Transportation and Transit Technical Advisory Committee consisting of staff from member municipalities, BC Transit and the Ministry of Transportation and Infrastructure that will meet regularly and of which one of the purposes will be to review the regional transit system

## Appendix E

# Regional Transportation Responsibilities to be Assumed by CRD

(Extracted from Appendix 7 of CRD Staff Report, June 15, 2011)

- Implement CRD Transportation Corridor Plan, regulate and oversee municipal and BC Transit compliance to binding corridor standards and priorities. Establish and apply consistent engineering design and functional standards compatible with those defined in the CRD Transportation Corridor Plan, Pedestrian and Cycling Master Plan and Transit Future
- Develop and manage a process to identify priority transportation projects and funding requirements.
- Oversee, monitor and evaluate priority transportation corridor projects and expenditures.
- Implement transportation and land-use policies of the Regional Sustainability Strategy, oversee compliance of municipal Official Community Plans, Local Area Plans and Transportation Master Plans to these policies.
- Implement the Pedestrian and Cycling Master Plan, regulate and oversee municipal compliance to binding standards and priorities in the Plan. These standards and priorities also follow from the Transportation Corridor Plan. Oversee the Primary Inter-Community Cycling Network.
- Implement other approved CRD strategic transportation initiatives such as the Transportation Demand Management Strategy.
- Endorse Municipal Official Community Plans, Local Area Plans and Transportation Master Plans in terms of consistency with the Transportation Corridor Plan and other approved CRD transportation strategies.
- Review and endorse Ministry of Transportation and Infrastructure Corridor Strategies for provincial highways in the CRD
- Oversee planning, regulations and capital and maintenance plans for the Galloping Goose, Lochside and E&N multi-use trails.
- Review and respond to development and re-zoning 400 metres from the defined regional corridor network and 400 metres from rapid transit stations, and regional and village centres.
- Implementation in partnership with municipalities of development cost charges and amenity provision for pedestrians and cyclists 400 metres from the defined transportation corridor network, and 400 metres from rapid transit stations and regional and village centres.
- Raise revenues through setting user fees, taxes, tolls, vehicle charges, profits from sales of rental of land and other assets.
- Collect and allocate funds from provincial and federal government transportation infrastructure grant programs to regional transportation priorities.
- Collect and allocate 100% allocation of CRD Gas Tax funds to regional transportation priorities.
- Negotiate cost-sharing and revenue transfer agreements with the province.
- Borrow and incur debt

## Appendix F

### Committees and Commissions

(Extracted from CRD Bylaw No. 3828, November 2012, Part 4, Sections 26 to 34)

#### **Board Standing Committees**

- 26 (1) The Chair may establish a Board Standing Committee as a regular permanent committee whose mandate will be in relation to a CRD service or potential service.
- (2) The Chair shall appoint only Board Members to a Board Standing Committee unless the authorizing legislation or Letters Patent for the Board Standing Committee defines its membership.
- (3) The general duties of Board Standing Committees shall be as follows:
- (a) To consider and report to the Board from time to time or whenever desired by the Board and as often as the interest of the CRD may require, on all matters referred to them by the Chair of the Board, or coming within their purview, and to recommend such action by the Board in relation thereto as they, the Committee, deem necessary or expedient.
  - (b) To carry out the instructions of the Board expressed by resolution in regard to any matter referred by the Board to any Committee for immediate action thereon, but in such cases the instruction of the Board shall be specific and the Committee shall report its action in detail at the next regular or other meeting of the Board thereafter as specified in the instructions of the Board.

#### **Advisory Committees**

- 27 (1) The Board, or Board Standing Committees, may establish an Advisory Committee to provide advice and recommendations to the Board, or to a Board Standing Committee, on matters determined to be within approved terms of reference or within a specific resolution of the Board.
- (2) Members of an Advisory Committee shall be appointed by the Board, a Board Standing Committee, or the appointments may be delegated by the Board to the Chair.
- (3) Persons who are not Members may be appointed to an Advisory Committee but each Advisory Committee should include at least one (1) Member of the Board.
- (4) The term of any person who is appointed to an Advisory Committee who is not a Member of the Board shall not exceed three (3) years.

#### **Select Committees**

- 28 (1) The Board may establish a Select Committee to consider or inquire into any matter dealing with a specific subject or issue referred to it by the Board and report its findings, opinions and recommendations to the Board, following its consideration and inquiry. Select Committees must have terms of reference approved by the Board.
- (2) The Select Committee will cease to exist once it has reported its findings, opinions and recommendations to the Board.

(3) The Board may delegate to the Chair the establishment of a Select Committee and the appointment of its Members.

### **Commissions**

29 (1) The Board may establish a Commission regarding a CRD service within the authorities delegated to it and as mandated by the Board by bylaw.

### **Attendance at Committee Meetings**

30. Members of the Board who are not Members of a Committee may attend meetings of that Committee and may take part in any discussion or debate by permission of a majority of the Committee Members present but may not vote.

### **Committee Reports**

31. A Standing or Select Committee of the Board may report to the Board at any regular meeting or shall report as required by the Board.

### **Quorum**

32. The quorum in a Standing or Select Committee shall be a majority of the persons appointed to the Committee.

### **Voting at Meetings**

33 (1) On a vote in a Committee each person shall have only one (1) vote.

(2) (a) The Chair shall be a Member of all Committees and entitled to vote on all matters.

(b) Despite section 33(2)(a) the Chair, when in attendance, may be counted as one Member for the purpose of constituting a quorum.

### **Operation**

34. No Committee or Commission will operate outside of its express mandate or terms of reference without prior approval of the Board.



Capital Regional District | May 2026

# Moving Together: Regional Transportation Plan

What We Learned: Q1 2026 Engagement Summary





## Territorial acknowledgement

The Capital Regional District conducts its work within the territories of many First Nations, including but not limited to BOKÉĆEN (W̱SÁNEĆ), MÁLEXEL (Malahat), paaʔčiidʔatx (Pacheedaht), Spune'luxutth (Penelakut), Sc'ianew, Songhees, SṪÁUTW (Tsawout), T'Sou-ke, W̱JOLÉLP (Tsartlip), W̱SIKEM (Tseycum), and xʷsepsum Nations, all of whom have longstanding relationships with these lands and waters that continue to this day.

Many of the transportation routes, waterways, and connections that shape movement across the region today follow pathways that Indigenous peoples have travelled for generations. These lands and waters have long supported connection, trade, governance, and community. This history continues to shape how movement, access, and regional connection are understood across the capital region today.

## Thank you

Thank you to everyone who contributed their time, perspectives, and lived experience to this phase of engagement. Regional transportation planning affects people differently depending on where they live, how they travel, and the barriers they experience moving through the region. Many participants spoke not only from professional expertise, but from lived experience navigating the transportation system every day.

We recognize that participation takes time, care, and energy. For many people, contributing to regional conversations also involves advocating for their communities, holding competing needs and perspectives, and engaging in discussions that can feel complex or frustrating. We appreciate the openness, honesty, and thoughtfulness that participants brought to these conversations.

The input shared through this process will help shape the next stages of the Regional Transportation Plan and contribute to ongoing conversations about how people move throughout the capital region now and into the future.



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## Executive summary

From January to March 2026, the CRD engaged regional partners, advisory committees, Indigenous partners, interest holders, and University of Victoria (UVic) students and staff to shape the early direction of the Regional Transportation Plan (RTP).

Across all engagement activities, participants identified a clear opportunity: to build a transportation system that feels more connected, easier to navigate, and more consistent across the region. Several themes emerged consistently across groups:



### Stronger regional coordination is needed

Participants consistently described governance fragmentation as one of the region's biggest transportation challenges. Many felt that the CRD should have a stronger role in aligning transportation priorities, investment, and decision-making across municipalities.



### Transit and multi-modal connections need improvement

Participants described a transportation system that still does not function seamlessly across modes or jurisdictions. Participants identified transit reliability, poor first- and last-mile connections, disconnected cycling infrastructure, and inconsistent user experiences as major barriers to reducing car dependency.



### Equity, accessibility, and affordability must be foundational

Participants emphasized that transportation decisions affect people differently depending on where they live, their income, their mobility needs, and whether they can drive. Many requested better planning that reflects the needs of underserved and underrepresented communities.



### Participants want greater transparency in decision-making

Participants wanted clearer explanations of how the CRD makes transportation decisions, establishes priorities, and evaluates trade-offs over time. Several groups requested stronger accountability mechanisms and clearer reporting on progress.



### Priorities varied across groups

RTAC and DPAC participants focused more heavily on governance structures and implementation challenges. UVic participants emphasized affordability, climate change, safety, and reducing car dependency. Interest holders focused on regional coordination, multi-modal integration, and equitable transportation access.

*Findings from this phase will inform the next stage of engagement and shape the refinement of the Regional Transportation Plan.*

## Project overview

### Purpose of the Regional Transportation Plan

The Capital Regional District (CRD) is developing a Regional Transportation Plan (RTP) to set the big-picture direction for how people and goods move across the capital region over the next 30 years. It will guide transportation decisions, investments, and priorities across the region. Because many of these decisions are shared across jurisdictions, the plan provides an opportunity to set a more coordinated regional direction.

Transportation shapes everyday life in the capital region. It affects how people get to work, school, and health care. It also affects safety, affordability, and access, and plays an important role in how the region grows and responds to climate change.

As the capital region grows and travel needs become more complex, there are real choices and trade-offs to work through. Some communities have limited transit options. Growth and housing development are outpacing transportation investment in some areas. Policies and standards also vary across the region, creating an uneven experience for people travelling across municipal boundaries. A strong regional transportation plan should work for everyone, whether they drive, take transit, walk, roll, cycle, or use a combination of these modes.

Without a shared regional plan, transportation decisions are more likely to be made one at a time and without a regional lens. That makes it harder to close gaps, improve connections, and focus investment where it can do the most good.

The CRD adopted the current RTP in 2014. Since then, the region has grown, travel patterns have shifted, and the Regional Transportation Service was established, giving the CRD a dedicated structure for coordinating transportation planning and investment across the region. Together, these changes create an opportunity to set a new and clearer direction.

### Context for the Q1 2026 (January to March 2026) engagement

This What We Learned report summarizes what the project team heard during the Q1 2026 engagement. This phase focused on gathering early input and building on recent work, including local transportation plans completed by member municipalities, previous engagement across the capital region, and the technical groundwork laid at the start of this project. Participants were invited to help confirm key transportation challenges and priorities, identify gaps, and refine the plan's direction.

**The broader process:** Engagement is one of several inputs into the plan. Technical analysis, data, regional and provincial goals, and considerations like funding, jurisdiction, and implementation will also shape decisions. The CRD Board is expected to consider the plan for approval in Fall 2027.

# Engagement overview

## Objectives of the Q1 2026 engagement

From January to March 2026, this phase of engagement focused on building a shared understanding of transportation issues across the region and identifying what mattered most to participants.

### The objectives of this phase were to:

- Confirm key transportation challenges and priorities
- Identify gaps or missing perspectives
- Better understand regional needs, pressures, and opportunities
- Surface the key questions the plan will need to answer in later phases

## How this phase fits into the overall engagement process

The project team engaged member municipalities, regional partners, advisory committees, and interest holders. These groups bring different perspectives shaped by their roles, communities, and experiences. Their input helps ensure the plan reflects diverse regional realities.

This was an early listening phase, not a solutions phase. The input gathered in Q1 2026 will directly inform the next stages of engagement and plan development:

- **Q1 2026 — Validate priorities and early direction (complete)**  
Engagement with municipal staff, committees, advisory groups, and regional partners to confirm key challenges and early priorities.
- **Q2 2026 — Refine draft strategies and key actions**  
Test draft directions and trade-offs with governance bodies, partners, and the public to strengthen the emerging plan.
- **Q4 2026 - Q1 2027 — Refine the plan and confirm direction**  
Refine the plan based on feedback, resolve outstanding questions, and confirm direction with governance bodies, including onboarding the new CRD Board following the 2026 municipal elections.
- **Q3 2027 — CRD Board approval**  
Confirm final direction, complete the plan, and bring it forward to the CRD Board for approval.

## Who we engaged

Engagement in this phase focused on key governance partners and regional interest holders who help shape transportation policy and priorities.

### Participant categories included:

- CRD Committees
  - Transportation Committee
  - Regional Transportation Advisory Committee (RTAC)
  - Development and Planning Advisory Committee (DPAC)
- Indigenous partners
- Regional interest holders (including advocacy groups, transportation providers, business and tourism organizations, post-secondary institutions, and provincial and regional agencies such as BC Transit, BC Ferries, and the Victoria Airport Authority)
- University of Victoria (UVic) students and staff

## Engagement approach

Engagement was targeted to validate core transportation challenges, surface shared priorities, and help define the decision-making criteria that will guide the development of the Regional Transportation Plan. This phase also helped build a common understanding of regional mobility needs, goals, and patterns, and to identify early strategic directions. At this stage, engagement was intentionally targeted rather than broad-based, focusing on organizations and partners with region-wide transportation roles and expertise, with broader public engagement planned for later phases of the plan's development.

## How we engaged

This phase used a mix of facilitated workshops, targeted partner engagement, Indigenous outreach, and public awareness activities (including [a project page on the CRD's Get Involved platform](#) and updates to the Transportation Committee) to test early directions for the Regional Transportation Plan and build a shared understanding of regional transportation priorities. Engagement activities are outlined below by format and audience. The following sessions were held as part of this phase of engagement:

- **3 virtual interest holder workshops** held on March 9, March 11, and March 12, 2026, with 19 participants
- **1 virtual RTAC/DPAC workshop** held on March 9, 2026, with 38 participants
- **1 in-person workshop with University of Victoria (UVic) students and staff** held on March 10, 2026, with 20 participants



Regional partners, agencies, advocacy organizations, and other interest holders were engaged through a series of facilitated workshops. These sessions explored long-term needs, issues, and opportunities for the regional transportation system, and helped identify the principles and criteria that should guide decision-making across the region.

Preliminary insights from these sessions were shared with the Transportation Committee to support alignment on emerging themes.

## Interest holder workshops (virtual)

These workshops were structured around a series of prompts and facilitated activities designed to test early assumptions, explore regional transportation priorities, and surface areas of alignment and tension across the region. Discussions focused on:

- **Regional needs, issues, and opportunities**, with a focus on what a well-functioning transportation system should enable for people, communities, and the regional economy
- **The balance between regional coordination and local decision-making**, including where regional approaches add value and where local leadership remains essential
- **Shared decision-making**, including the principles and considerations that should guide future transportation decisions, particularly in the context of trade-offs

Each session concluded with a review of key themes and an overview of how input would be synthesized and used.

## RTAC/DPAC workshop

Members of the Regional Transportation Advisory Committee (RTAC) and the Development and Planning Advisory Committee (DPAC) participated in a structured virtual workshop. RTAC and DPAC include municipal staff and regional representatives who provide technical and planning advice to the CRD.

The session focused on regional coordination, governance, and decision-making. It explored long-term system needs and opportunities, and examined how roles and responsibilities could be clarified across jurisdictions. Participants also contributed to defining principles and criteria to guide transportation decisions across the region.

## Indigenous outreach

The CRD and BC Transit collaboratively reached out to eight First Nations to engage on regional transportation planning. Of these, four Nations participated in virtual meetings:



SᑭÁUTW First Nation, the WᑭÁNEĆ Leadership Council (WJOŁŁP First Nation and WᑭIKEM Nation), and xᑭsepsum Nation.

First Nations emphasized the importance of early and ongoing engagement in the development of the Regional Transportation Plan, including opportunities to participate in workshops and future studies. Participants expressed appreciation for the CRD's commitment to supporting meaningful involvement. Feedback identified the Island Corridor as a priority requiring timely attention to preserve future transportation opportunities and support the nation's economic development. There was a strong emphasis on transportation planning that is sustainable, accessible, and culturally respectful, and that meaningfully integrates Indigenous knowledge, land relationships and traditional territories. Key priorities also included improving safety, accessibility, and connectivity for elders, youth, and persons with disabilities; enhancing access to community and traditional sites; and advancing alternative and low-emission transportation modes. Clear, accessible engagement materials and appropriate incentives were noted as effective approaches to support broader community participation.

## University of Victoria (UVic) workshop

An in-person workshop was held with University of Victoria (UVic) students from the Coastal Climate Solutions Leaders graduate training program, along with staff, to capture campus perspectives on regional mobility. This session, facilitated by the CRD, and focused on lived experience, including transit reliability, multi-modal connections, safety, and affordability. Participants provided input grounded in daily travel patterns and highlighted barriers to using sustainable transportation options.

## Project communication

During this phase, the CRD launched the project's [Get Involved page](#) to provide information about the Regional Transportation Plan, share project updates, and create a central location for future engagement opportunities.

The project was also presented to the Transportation Committee through a public in-camera meeting, which was open to observers and contributed to broader awareness.

## Promotion and outreach

Messaging focused on explaining the project purpose, highlighting opportunities to participate, and providing clear links to learn more and share input. Outreach was timed to align with key engagement sessions.



**Targeted outreach** was used to invite participation from key regional partners, governance bodies, and interested parties, as identified through interest-holder mapping and research supported by the CRD. The CRD also coordinated directly with RTAC and DPAC members to support participation. Across all groups, participants were provided with information on the purpose of the engagement, the current stage of the planning process, and opportunities to contribute input on regional transportation challenges, priorities, and decision-making considerations.

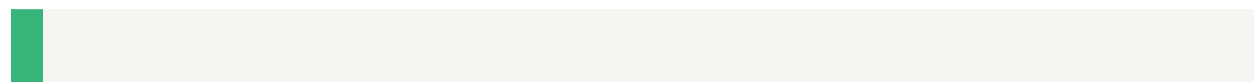
## What we learned

### Workshop feedback: Key themes by interest group

*Themes are listed in order of frequency. Counts reflect the number of times a theme code was applied across all questions within that group's session. Representative participant quotes have also been included throughout each workshop section to help illustrate key themes and perspectives.*

#### Interest holder sessions

**Regional governance, coordination, and accountability gaps (38 mentions):** The most frequently cited theme across the interest holder sessions. Participants consistently described the capital region's transportation system as a collection of parts without a coordinating hand. They called for the CRD to play a stronger, more authoritative role in aligning investment, decisions, and delivery across municipalities.



**Infrastructure gaps and modal imbalance (36 mentions):** Participants pointed to significant gaps in physical infrastructure as a root barrier to mode shift—from missing cycling connections and inadequate transit stops to the absence of safe walking routes in rural and island communities. Several noted that investment has been uneven across modes, with active transportation consistently underfunded relative to roads.

**Multi-modal integration and user experience are not yet seamless (34 mentions):**

Participants emphasized that the system's failure isn't just about individual modes—it's the gaps between them. Poor connections between transit, cycling, and walking, inconsistent wayfinding, and the absence of regional shared mobility agreements were all flagged as barriers to a seamless travel experience.

**System performance and efficiency are constrained (30 mentions):** Beyond individual modes, participants noted that the overall system is not performing, congestion, unreliable travel times, and bottlenecks on key corridors undermine the region's ability to function. Several pointed to the need for demand management and smarter operations alongside infrastructure investment.

**Transit performance and coordination are not yet enabling mode shift (29 mentions):**

Participants repeatedly named transit service quality, frequency, reliability, and coverage as the key constraints on mode shift. Participants noted that the context description's framing of transit ridership as 'not keeping pace' understates the problem: the service is not yet competitive with driving for most trips.

“Bus transit is too inefficient for people who have to work (sometimes more than one job) or get to appointments. You can only do 2 or 3 things in a day if relying on bus transit.”

**Clear communication and transparency of decisions (21 mentions):** Participants wanted to understand how and why decisions are made, not just what is decided upon. Several called for transparent project pipelines, open data, and consistent reporting as tools to build public trust and reduce the perception that transportation decisions are politically driven.

**Equitable, accessible, and affordable mobility (21 mentions):** Participants were clear that equity is not an add-on but a design principle; in fact, it surfaced throughout responses, from the affordability of transit fares to the accessibility of stops and routes for people with disabilities, seniors, and lower-income residents.

**Equity, accessibility, and inclusive engagement are not fully realized (19 mentions):**

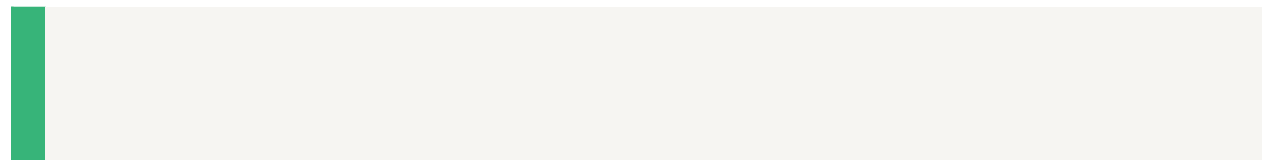
Several participants noted that equity principles appear in plans but don't consistently shape decisions or investments. Inclusive engagement, like reaching communities that don't typically participate, was also flagged as a gap, particularly for Indigenous communities, people with disabilities, and Gulf Islands residents.

**Clear prioritization and decision-making frameworks are needed (18 mentions):**

Participants across multiple questions requested that the CRD establish upfront frameworks for setting priorities and resolving trade-offs before difficult choices arise. Several cited the absence of such frameworks as a reason why good plans repeatedly fail to translate into delivery.

**Funding and implementation constraints limit progress (17 mentions):** Participants acknowledged that many of the right plans already exist, but funding gaps, misaligned incentives, and weak implementation capacity slow progress. Several called for the CRD to take a stronger role in coordinated advocacy for provincial and federal transportation funding.

**Land use and transportation are not fully aligned (17 mentions):** The disconnect between land-use decisions made at the municipal level and transportation planning at the regional level was a recurring frustration. Participants noted that this misalignment, not just service gaps, is a root driver of car dependency and longer commutes.



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## **RTAC/DPAC session**

**Regional governance, coordination, and accountability gaps (42 mentions):** Participants with direct experience in regional planning consistently described governance fragmentation—different authorities, inconsistent standards, and unclear roles—as the fundamental barrier to regional progress. Many called for the CRD to have more explicit authority and accountability mechanisms.

**Clear prioritization and decision-making frameworks are needed (36 mentions):** Participants placed the strongest emphasis of any group on the need for structured, upfront decision-making tools. Participants wanted to see clear logic for how projects are sequenced and prioritized—and consistency over time so that new political priorities don't continually displace agreed plans.

**Infrastructure gaps and modal imbalance (30 mentions):** Infrastructure concerns were broader, encompassing active transportation, goods movement, emergency access, and network resilience. Participants flagged the risk of single points of failure in the regional network—an issue with safety implications that goes beyond mode shift.

**Multi-modal integration and user experience are not yet seamless (29 mentions):**

Participants saw multi-modal integration as the clearest area where regional coordination would unlock gains. They pointed to specific barriers, like incompatible shared mobility zones, inconsistent wayfinding, and poor first- and last-mile connections, as problems requiring regional-level solutions.

**Funding and implementation constraints limit progress (28 mentions):** Funding was a more prominent theme, reflecting participants' direct experience with the gap between planning ambition and delivery capacity. Several noted that regional coordination is often a prerequisite for unlocking provincial and federal funding, making governance and funding challenges deeply interconnected.

“A lack of regional and unified advocacy has led to the region not getting its fair share of transit investment.”

**Transit performance and coordination are not yet enabling mode shift (25 mentions):**

Participants offered a more systems-level critique of transit performance, noting that the problem isn't just frequency or reliability in isolation, but the full experience from door to door, including stops, wayfinding, and transfers. Several pointed to the E&N Corridor (The Island Corridor, previously the Esquimalt & Nanaimo Railway) as an underdeveloped regional opportunity.

“It isn't only about the time on the bus. It is about the transit stops, the walk to the stop, knowing when the next bus is coming. The experience of stops should be similar no matter which municipality you're in.”

**System performance and efficiency are constrained (19 mentions):** Participants raised efficiency concerns with a technical lens, noting that congestion has compounding economic effects, that mode shift toward active transportation can create short-term trade-offs for vehicle throughput, and that the system needs to be managed holistically rather than mode by mode.

**Key system functions are underrepresented (16 mentions):** Goods movement, emergency access, and visitor travel are consistently absent from regional transportation conversations. Participants saw this as both a planning gap and a credibility risk for the RTP.

“People-moving focused — can't lose sight of what the network does outside of moving people and the broader need of the movement.”

**Align transportation with land use and regional growth (16 mentions):** Participants supported stronger alignment but acknowledged that land use authority rests with municipalities, making coordination a matter of negotiation rather than direction.

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## University of Victoria session

**Multi-modal integration and user experience are not yet seamless (15 mentions):**

Participants described a system that doesn't connect: buses that don't serve key destinations, cycling networks that stop at municipal boundaries, and no easy way to combine modes for a single trip.

“Make transportation a non-issue in someone's life.”

**Transit performance and coordination are not yet enabling mode shift (14 mentions):**

Participants, many of whom rely on transit daily, described a service that is too slow, too infrequent, and too unpredictable to be a genuine alternative to driving.

**System performance and efficiency are constrained (12 mentions):** Participants described a regional system that is slow and unreliable, not just for individual modes but across the system as a whole. The Malahat corridor was specifically cited as a critical regional vulnerability, and several participants expressed frustration that making sustainable transportation competitive with driving is not treated as an explicit goal.

**Clear communication and transparency of decisions (12 mentions):** Participants wanted to understand how transportation decisions are made, and wanted mechanisms to ensure those decisions are insulated from short-term political pressures. Non-partisan oversight and independent accountability structures were proposed.

**Safety, comfort, and user experience are not consistently prioritized (10 mentions):**

Safety was a prominent concern for participants, particularly around cycling infrastructure and the personal safety of transit users. Participants pushed back on the plan's framing of eliminating 'serious injuries and deaths,' arguing that any injury is unacceptable and that safety should be a precondition for mode shift, not just an outcome.

“Make people feel safe while taking and getting to transit (prevent harassment, discrimination, racism...).”

**Equitable, accessible, and affordable mobility (9 mentions):** Participants connected affordability directly to housing, noting that lower-income residents are pushed to the West Shore, where transit is sparse, creating a compounding disadvantage. Several participants saw pricing of parking and driving as an important lever for shifting the cost calculus.

**A sustainable system that supports the region's future (9 mentions):** Participants connected transportation decisions to climate targets, community health, and intergenerational equity, and requested that the plan be explicit about emissions reduction as a driver of investment, not just a co-benefit.

“I think there needs to be a why-reducing emissions is one, but improving health and making the community more accessible for those who can't drive (youth, elders, etc).”

**Equity, accessibility, and inclusive engagement are not fully realized (8 mentions):** Participants highlighted populations whose needs are consistently overlooked: youth, people with disabilities, and aging residents. Several raised the importance of designing transportation for families and non-commute trips, not just the typical working adult commuter.

# Key takeaways

## Shared themes across all groups

Across all three workshops, a small number of themes came up consistently, regardless of who was in the room. These represent the strongest signals from the engagement process.



**The CRD needs more authority, not just more coordination:** Governance was the most cited concern across all three groups combined. Participants consistently described a system in which each municipality makes its own decisions, and the CRD does not have enough power to ensure those decisions work together. The same message came from all groups: coordination alone is not enough.

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**A connected system is the shared goal, but the gaps are significant:** When asked what a well-functioning regional transportation system should look like, all three groups gave similar answers: a connected system that lets people get to work, run errands, and access services without a car. This was the top theme in the vision question across all groups. But participants were equally consistent in their assessment of how far the current system is from that goal. Bike lanes stop at city boundaries. Shared services like bike and car shares do not cross jurisdictional boundaries. Transit stops vary in quality from one community to the next. Getting to and from transit is often harder than the ride itself.

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**Transit is not competitive with driving, and that is the main barrier to change:** All three groups named transit performance as the central obstacle to getting more people out of cars. The specific issues were consistent: service is too infrequent, slow, and unreliable to be a realistic option for most everyday trips. UVic participants were the most specific: some routes run every 60 to 90 minutes, some areas within 10 kilometres of campus require two or three transfers, and some lines stop running early in the evening.

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**People want to understand how and why decisions are made:** Transparency came up across all three groups as a basic requirement for public trust. The ask was consistent: people do not just want to know what decisions are made, they want to understand the reasoning, the evidence, and the trade-offs behind them.





**Equity needs to be built in from the start, not added later:** Equity came up in every group, though each framed it differently. Interest Holders focused on specific groups that are not being served: people with disabilities, Gulf Islands residents, Indigenous communities, and service workers who rely on transit. RTAC/DPAC members raised equity as a criterion for investment decisions, calling for needs-based prioritization rather than focusing on areas with the most political weight. UVic participants made a direct connection between transportation and housing affordability: people pushed to the West Shore by high housing costs in the core end up in areas with sparse transit, compounding their disadvantage.

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**Safety is a starting point, not an end goal:** All three groups raised safety as a top concern. UVic participants challenged the plan's framing most directly, arguing that the goal of eliminating only "serious injuries and deaths" sets the bar too low, and any injury reflects a failure of the system. Protected bike lanes were called a basic requirement, not an upgrade. Personal safety on transit, including harassment, discrimination, and racism, was raised as a real barrier, especially for women and racialized riders. Physical infrastructure gaps included: no protected cycling infrastructure on rural roads and inaccessible bus stops in smaller communities.

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**Land use and transportation planning need to occur together:** All three groups identified the disconnect between municipal land-use decisions and regional transportation planning as a root cause of car dependency and long commutes. Transit investment consistently follows new development instead of shaping it. High-density housing is often directed to arterial roads without improving the street environment for walking or cycling. Municipalities resist more density without a guarantee of better transit service first.

## Where the groups saw things differently

While participants broadly shared opinions in the themes above, some issues landed differently depending on who was in the room. These differences reflect the different experiences and roles of each group; they are not disagreements, but they do signal where the plan will need to speak to different audiences.



**Decision-making frameworks** were the top priority for RTAC/DPAC members, who called for a clear, published process for ranking projects and making trade-offs, one that is set up front and does not change with each political cycle. This was a much lower priority for Interest Holders and UVic participants, who focused more on governance authority and lived experience.

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**Sustainability and climate** were explicitly mentioned by UVic participants, who described transportation as an intergenerational responsibility and requested that the plan explain why emissions reduction matters, rather than simply listing it as a goal. The other two groups mentioned climate more indirectly, as a co-benefit of shifting away from cars.

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**Car dependency** was addressed most directly by UVic participants, who requested measures that actively make driving more expensive and less convenient, rather than just offering better alternatives alongside existing car infrastructure. Interest holders raised the issue but focused more on providing options. RTAC/DPAC members gave it less weight.

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**Goods movement** was flagged almost entirely by RTAC/DPAC members, who described the absence of freight and delivery in transportation planning as a credibility gap. The other groups gave it minimal attention.

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**Funding details** were most prominent for RTAC/DPAC members, who raised specific tools, congestion pricing, new business cases, and predictable multi-year allocations that reflect their direct experience with the gap between planning and delivery. The other groups focused more on the need for a unified regional voice with senior governments.

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**Meaningful engagement** was the strongest differentiator for UVic participants, who requested a citizen committee, community partnerships, and a genuine participatory process. RTAC/DPAC members framed engagement more around building confidence and working with municipal partners. Interest holders raised it but gave it less weight.



**Geographic constraints**, the distinct challenges of rural areas, the Gulf Islands, and hard-to-serve communities were raised most strongly by RTAC/DPAC members and Interest holders (particularly Gulf Islands residents) and barely mentioned by UVic participants.

## What the feedback suggests the plan needs to do

Taken together, the workshop feedback points to five areas where the plan will need to take a clear position. These are not recommendations; they are observations about where participant input was most consistent and where the plan needs to provide clear direction.

### 01 On governance

The plan needs to define what regional authority means in practice, what the CRD can direct, what it can recommend or advocate, and the mechanisms for holding partners accountable. It also needs to specify how progress will be tracked and reported over time, not just at the point of adoption.

### 02 On transit

Rapid transit to the West Shore and Peninsula came up across all three groups and represents the clearest infrastructure gap with the broadest consensus. The plan should make an explicit commitment on this rather than treating it as one option among many. It should address the tension between reallocating road space to cycling and walking while maintaining or improving transit travel speeds.

### 03 On investment

The plan needs a credible framework for ranking and sequencing projects, one that connects stated priorities to actual budgets and remains consistent over time. A published priority list with a clear rationale was requested repeatedly, particularly by RTAC/DPAC members and Interest holders.

### 04 On equity

Equity principles already appear in regional plans, but do not consistently shape decisions. The plan needs to specify how equity will work as a decision-making criterion, including how it will be applied when it conflicts with efficiency or cost goals. Gulf Islands residents, Indigenous communities, people with disabilities, and rural areas also need to be addressed specifically, not just covered by general regional language.

### 05 On scope

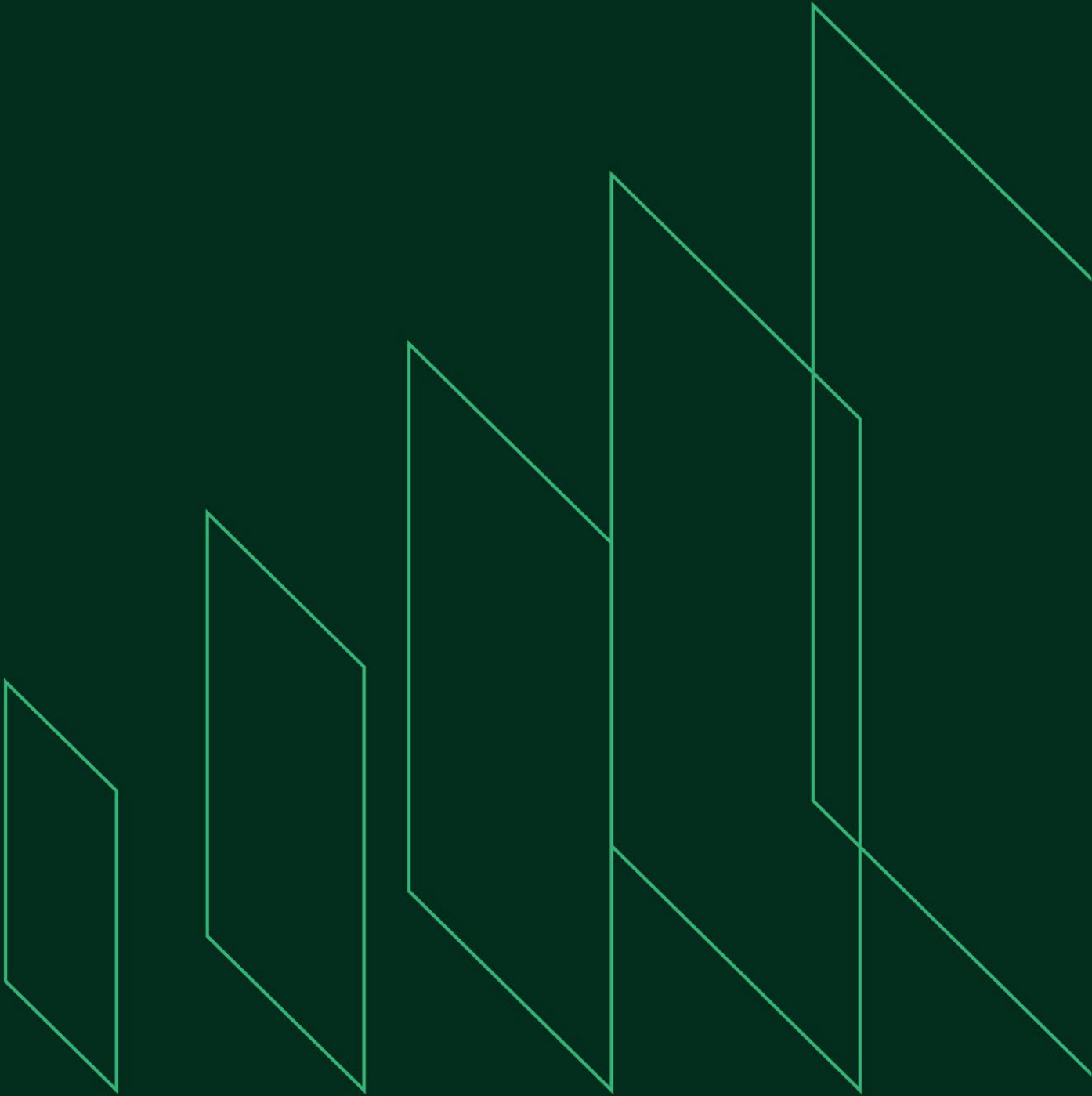
Goods movement, visitor travel, and interregional connections beyond the CRD are gaps the plan should name directly. The role of private vehicles also needs a clear position; all three groups, in different ways, indicated that treating car use as a neutral baseline is no longer sufficient.

## What this means for next steps

This phase of engagement was designed to surface shared priorities and establish a foundation for the plan. The next phase of work will focus on developing and testing draft strategic directions and key actions with elected officials, regional partners, First Nations representatives, interest holders, and the public.

The findings in this report will be used to shape the draft directions. The themes with the strongest and broadest support, governance authority, multi-modal connectivity, transit performance, transparency, equity, safety, and land use alignment, provide the clearest foundation. Where groups diverged, those differences signal which audiences the draft directions will need to address specifically and how.

# Appendix A – Methodology



**Spur**

## Appendix A - Methodology

The findings are based on a qualitative analysis of participant input collected across multiple engagement sessions. Notes and feedback from workshops were compiled and organized into a structured dataset for analysis.

A thematic coding approach was used to systematically review all participant input. Individual comments and responses were assigned codes representing key ideas, issues, or sentiments. These codes were developed iteratively, with similar responses grouped into broader themes to reflect recurring patterns across sessions.

Coding was applied consistently across all sessions, including general discussions and responses to specific questions. This enabled both high-level thematic analysis and more detailed comparisons between session types and participant groups.

After coding, the data were aggregated using pivot tables to quantify code and theme frequencies. This helped identify the most prominent topics, points of alignment, and key differences across sessions.

### Data Approach

The dataset was structured in a long-format coding table, where each comment or input was treated as a discrete entry and assigned one or more thematic codes.

Codes were grouped into broader thematic categories to support analysis at both the code and theme level. The dataset was then analyzed using pivot tables to:

- Count the frequency of codes across all sessions
- Compare themes across different participant groups and sessions
- Identify high-volume issues and recurring topics

Both quantitative (frequency-based) and qualitative (content-based) analysis were used:

- Qualitative review ensured nuance and context were captured beyond raw counts
- Frequency counts were used to highlight dominant themes and areas of emphasis

Where relevant, findings were also analyzed by session type (e.g., RTAC/DPAC vs. interest holders and UVic) to understand how responses varied across discussion contexts.

This combined approach ensures that the results reflect both the breadth (how often something was raised) and depth (how it was expressed and why it matters) of participant input.

## Moving Together: Regional Transportation Plan

### Governance and decision-making: early workshop summary

This summary provides an early synthesis of governance-related input captured at the *Governance and Decision-Making* station during the Regional Transportation Plan (RTP) workshop on June 22, 2026.

#### What we did

Participants shared written feedback in response to prompts about how governance could better support implementation of the RTP. Feedback explored regional decision-making, coordination, representation, funding, accountability, and future governance considerations.

#### Governance ideas explored

Participants were invited to provide feedback on three preliminary governance directions being explored through the RTP:

1. Strengthening regional governance for multimodal transportation planning and transit decision-making;
2. Improving coordination of transportation services, regulations, and programs that operate across municipal boundaries; and
3. Strengthening regional transportation data, modelling, and performance functions to support evidence-based planning, decision-making, and implementation.

#### What we heard about governance and decision-making

Participants identified governance as a key constraint to the region's ability to plan, fund, and deliver an integrated transportation system. They emphasized the conditions needed for effective regional decision-making rather than naming any preferred governance model. The themes below represent a qualitative synthesis of participant feedback and are not ranked by frequency, level of agreement, or priority.

**1. Provincial action is essential to governance reform.** Participants identified provincial legislation, particularly the BC Transit Act and the current Victoria Regional Transit Commission (VRTC) structure, as shaping the CRD's ability to make binding transit governance decisions. Many noted that meaningful reform requires provincial action, including legislative change and clearer provincial direction, not just regional will.

**2. Fragmented decision-making across jurisdictions.** Across the region, governance was described as fragmented among municipalities, Electoral Areas, First Nations, and agencies, with competing authorities, differing local priorities, and divided mandates that make coordinated decision-making difficult and create uncertainty about regional priorities.

**3. Municipal autonomy vs. regional integration.** Participants valued municipal autonomy and expressed concern about losing local control, while also recognizing that many transportation challenges extend beyond municipal boundaries. Discussion focused on how governance could strengthen regional coordination without diminishing local decision-making.

**4. Governance reform is slow — maintaining momentum matters.** Even those who supported governance reform acknowledged that structural change is slow and vulnerable to shifts in political priorities. Participants expressed concern about losing momentum and the need to clearly articulate the urgency for change, calling for staged or incremental approaches to governance reform that maintain progress.

**5. Representation, voice, and equity in decision-making.** Participants emphasized that effective governance depends on equitable representation. Discussion focused on representation within regional transit governance, including the VRTC, stronger inclusion of Electoral Areas and First Nations, balancing elected decision-making with technical expertise, and creating meaningful opportunities for broader regional participation.

**6. Funding as a governance mechanism.** Participants consistently linked funding and governance, emphasizing the need for stable, predictable funding to support long-term regional transportation investment. Participants also identified funding as a tool to encourage alignment with regional priorities, land use planning, shared standards, and coordinated decision-making across the region.

## Implications for the Regional Transportation Plan

Collectively, these findings reinforce the importance of governance as an enabling condition for the successful implementation of the RTP and the need to continue exploring governance approaches that strengthen regional transportation planning, coordination, funding, and decision-making. Rather than identifying a preferred governance model, participants consistently emphasized the conditions needed to strengthen regional transportation decision-making, including integrated planning, equitable representation, stable funding, and collaboration across governments and regional partners.

Taken together, these findings support continued exploration of a stepwise evolution of governance that strengthens regional coordination while balancing local decision-making and builds on existing regional responsibilities and partnerships over time.

## What happens next

This summary represents one input into the broader RTP engagement process. Governance-related findings from the *Governance and Decision-Making* station will be synthesized alongside input from other workshop stations and engagement activities in the *What We Learned* report, expected in September 2026.



An aerial photograph of a valley with mountains in the background. The valley is filled with green trees and some buildings. The mountains are hazy and blue in the distance. The sky is a mix of blue and orange, suggesting a sunset or sunrise. The overall tone is serene and natural.

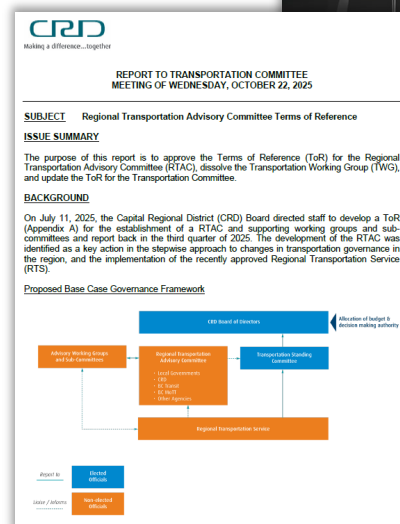
# Transportation Governance Update

Transportation Committee

July 22, 2026

# Stepwise Governance Work Plan

- Establish the Regional Transportation Advisory Committee (RTAC)
- Explore stepwise governance strategic considerations with BC Transit, MoTT and local government staff
- Outreach with TransLink / Mayor's Council to apply lessons learned in regional transportation governance changes
- Integrate governance considerations into the RTP process, including the RCI



TransLink Governance Review

March 2013

## What direction could the RTP provide?

01

### Set clear regional priorities

Clarify what matters most for transportation across the region, including the role of key corridors, transit routes, active transportation networks, and goods movement, and what outcomes the region is working toward.

02

### Align and sequence investments

Provide guidance on how transportation investments could be coordinated and phased across municipalities, modes, and funding sources so projects work together rather than in isolation.

03

### Better connect transportation + land use

Clarify how transportation planning and investment should support housing, growth, and land use decisions, and how those land use decisions should inform transportation priorities.

04

### Establish shared regional approaches

Explore opportunities for more consistent regional guidelines, in collaboration with municipalities, on topics such as safety, transportation demand management, access to opportunity, curb management, island connectivity, and design standards.

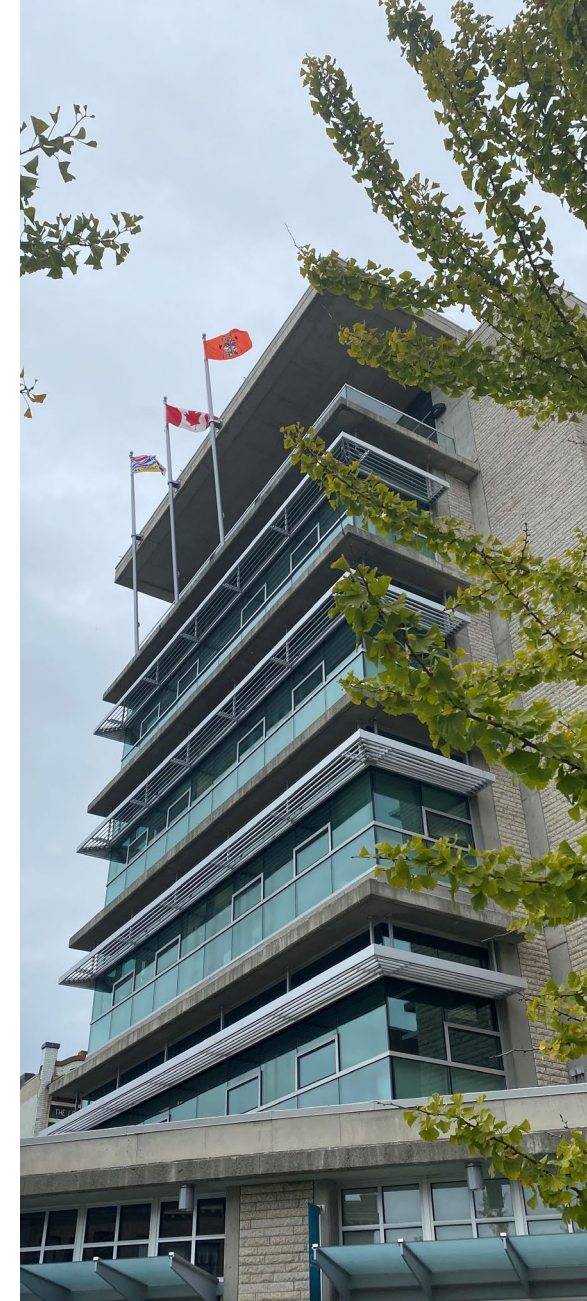
05

### Clarify governance and decision-making

Define regional roles and responsibilities for transportation, and outline how decisions should be made and coordinated across jurisdictions over time.

# Why a Governance Conversation is Timely

- The region is at a strategic decision point to address its multimodal transportation goals
- The RTP provides an opportunity to reflect on how governance can support achieving our mode share targets
- Through the RTP engagement process and recent regional workshop, governance has consistently emerged as a key theme



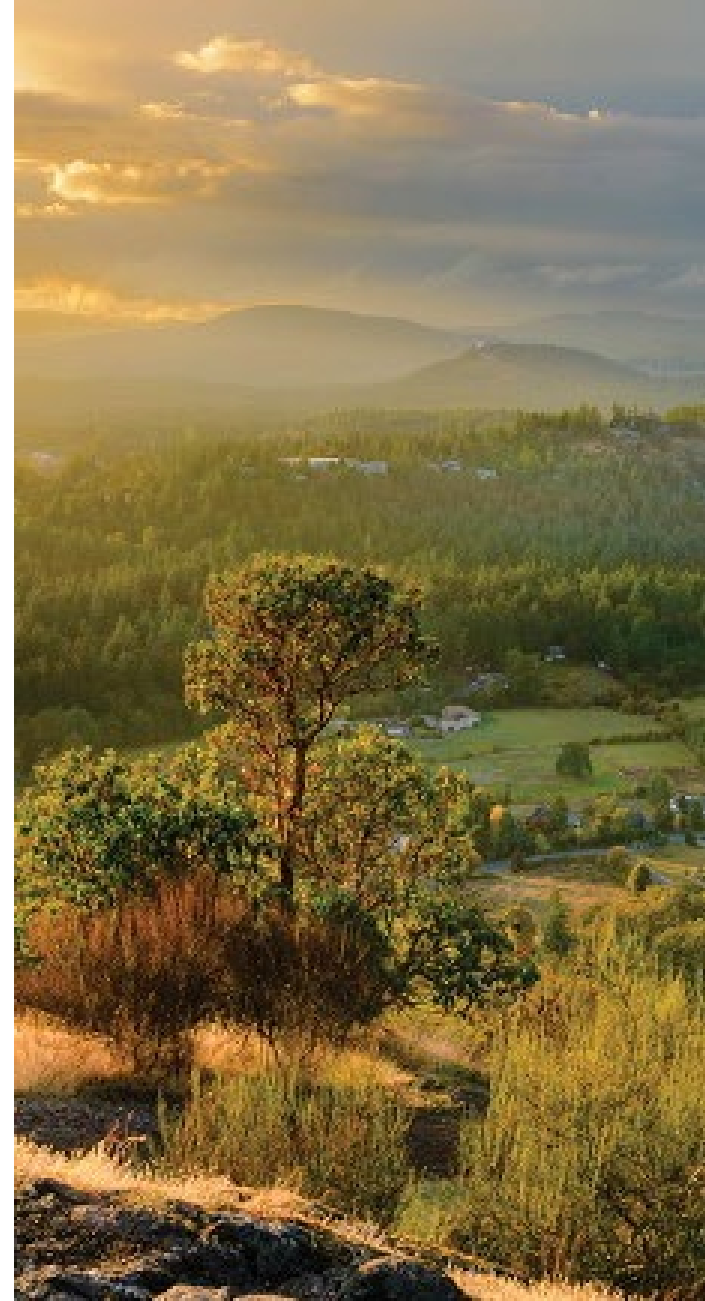


# Snapshot of Current Governance

No single body has the mandate and representation to guide all the elements of the multimodal system. Today:

1. Responsibilities distributed across agencies
2. CRD leads regional transportation planning
3. VRTC governs transit within provincial framework
4. Multiple partners seek senior government funding

This model has supported many shared successes yet raises opportunities for improved decision making.



# The Key Governance Considerations

- Leadership and integrated authority
- Full Representation
- Responsiveness and accountability
- Independent oversight
- Role clarity and regional partnership
- Funding tools and capital advocacy

## Governance Challenges

1. No centralized governance or advocacy for regional transportation
2. Inconsistent standards across jurisdictions
3. Fragmented investments

## Transportation Governance

June 25, 2025

CRD

## Stepwise Approach

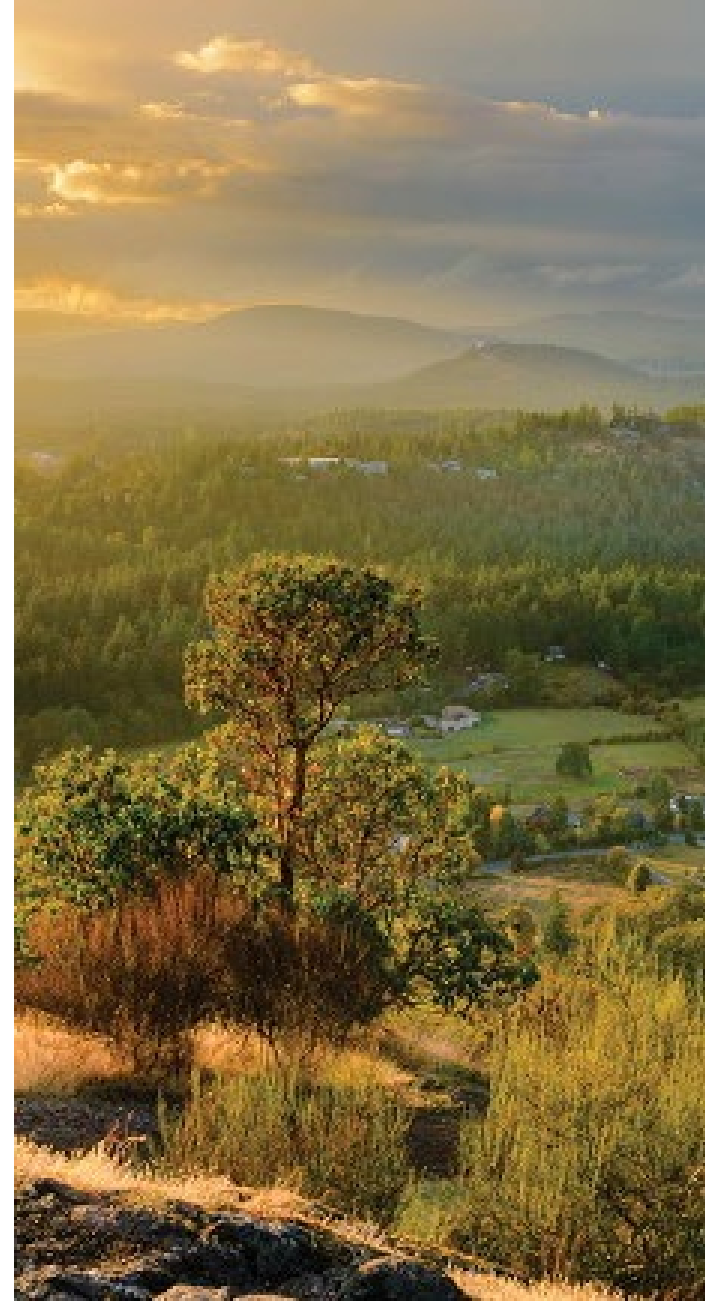
1. Consolidate CRD's current transportation functions into the Regional Planning & Transportation Division
2. Commence development a new RTP
3. Develop and report back on a Terms of Reference for RTAC
4. As the RTP process evolves, assess the value of transitioning governance to a commission model
5. Future consideration of Victoria Regional Transit Commission (VRTC) role within the CRD governance framework

CRD

# Future Governance Outcomes

A strengthened governance model could provide elected officials with improved and effective decision-making to:

- Deliver on the updated VRTP and RTP
- Better align growth and transportation investments
- A unified regional position for multimodal priorities and strengthened access to new and expanded funding tools
- More predictable, transparent, responsive, and accountable decision making
- The institutional foundation the region needs for achieving long-term multimodal mobility outcomes

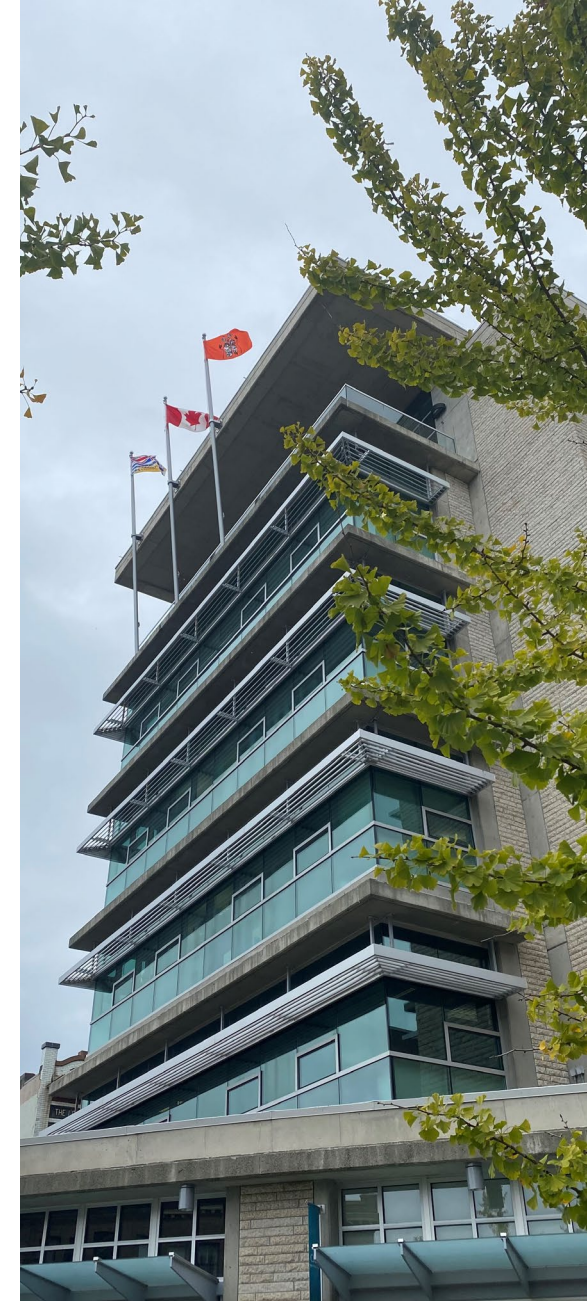




# Stepwise Governance Recommendation

The Transportation Committee recommends to the Capital Regional District Board:

1. That staff continue advancing a stepwise approach to regional transportation governance, including ongoing engagement with local governments, regional partners, and other jurisdictions;
2. That the Board request the Province to work with the Capital Regional District (CRD) to advance the development of legislative changes to enable more integrated regional transportation decision-making, including the integration of the Victoria Regional Transit Commission responsibilities into a fully representative CRD governance model that:
  - a) Aligns the planning, investment, and delivery of regional multi-modal transportation priorities;
  - b) Enhances responsiveness and accountability to local governments;
  - c) Integrates transit with regional transportation priorities; and
  - d) Enables exploration of broader funding tools and delivery models aligned with implementation of the Regional Transportation Plan.
3. That staff report back in 2027 with recommended governance pathways, including legislative considerations and proposed phasing and mitigation strategies in consultation with regional partners to support implementation.



## REPORT TO TRANSPORTATION COMMITTEE MEETING OF WEDNESDAY, JULY 22, 2026

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**SUBJECT**     **Regional Transportation Advisory Committee Recommendation to Advocate on Transit Funding**

### **ISSUE SUMMARY**

To transmit a recommendation from the Regional Transportation Advisory Committee (RTAC) to the Transportation Committee for consideration.

### **BACKGROUND**

The RTAC considered the attached report (Appendix A) titled “Provincial Funding Advocacy – Serving Existing Needs and Exploring New Tools” at its meeting on June 18.

At that meeting, the advisory committee passed the following motion:

*That Regional Transportation Advisory Committee recommend the CRD Transportation Committee recommend to the CRD Board to advocate to the Province of British Columbia to collaborate with the CRD to:*

- *Provide stable, multi-year transit funding to maintain existing service levels and support expansion aligned with regional transportation priorities; and*
- *Explore new and expanded funding tools that support implementation of the regional multimodal transportation system as part of regional transportation governance improvements.*

Under the committee's terms of reference, recommendations of the RTAC are forwarded to the Transportation Committee for consideration. This staff report does not provide an analysis of the recommendation and is intended solely to transmit the advisory committee recommendation to the Transportation Committee.

### **ALTERNATIVES**

#### *Alternative 1*

The Regional Transportation Advisory Committee recommends the Capital Regional District Transportation Committee recommends to the Capital Regional District Board:

1. That the Capital Regional District (CRD) Board advocate to the Province of British Columbia to collaborate with the CRD to:
  - i. Provide stable, multi-year transit funding to maintain existing service levels and support expansion aligned with regional transportation priorities; and
  - ii. Explore new and expanded funding tools that support implementation of the regional multimodal transportation system as part of regional transportation governance improvements.

#### *Alternative 2*

That the report be referred back to staff for additional information based on Transportation Committee direction.



## **CONCLUSION**

The Regional Transportation Advisory Committee has forwarded a recommendation for the Transportation Committees' consideration to advocate to the Province of British Columbia for increased stable transit funding and to explore new funding tools.

## **RECOMMENDATION**

The Regional Transportation Advisory Committee recommends the Capital Regional District Transportation Committee recommends to the Capital Regional District Board:

1. That the Capital Regional District (CRD) Board advocate to the Province of British Columbia to collaborate with the CRD to:
  - i. Provide stable, multi-year transit funding to maintain existing service levels and support expansion aligned with regional transportation priorities; and
  - ii. Explore new and expanded funding tools that support implementation of the regional multimodal transportation system as part of regional transportation governance improvements.

|               |                                                                                         |
|---------------|-----------------------------------------------------------------------------------------|
| Submitted by: | Patrick Klassen, MCIP, RPP, Senior Manager, Regional Planning & Transportation          |
| Concurrence:  | Kevin Lorette, P. Eng., MBA, General Manager, Housing, Planning and Protective Services |
| Concurrence:  | Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer                             |

## **ATTACHMENT**

Appendix A: CRD Regional Transportation Advisory Committee Agenda Memo: "Provincial Funding Advocacy – Serving Existing Needs and Exploring New Tools", Meeting of June 18, 2026

**CRD Regional Transportation Advisory Committee (RTAC) AGENDA MEMO**

**To:** Regional Transportation Advisory Committee (RTAC)

**From:** Troy McKay, District of Saanich  
Dale Puskas, District of Central Saanich

**Date:** June 11, 2026

**Meeting:** RTAC – June 18 2026

**Subject:** Provincial Funding Advocacy – Serving Existing Needs and Exploring New Tools

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**Recommendation**

That RTAC recommend the CRD Transportation Committee recommend to the CRD Board to advocate to the Province of British Columbia to collaborate with the CRD to:

- Provide stable, multi-year transit funding to maintain existing service levels and support expansion aligned with regional transportation priorities; and,
- Explore new and expanded funding tools that support implementation of the regional multimodal transportation system as part of transportation governance improvements in the region.

**Purpose / Issue**

There are current transit funding pressures that come from two different needs: (a) funding required to keep existing service whole and reliable, and (b) funding required to add net new service to meet growth. Advocacy is more effective when these are clearly separated.

Immediate, stable, multi-year increases in transit operating and expansion funding to serve the Capital Regional District would ensure alignment with municipal initiatives and reduce time lagging, reactive responses to changes.

Given the scale of transit funding needed to achieve the region's sustainable mode share goals and the need to integrate improved transit into the region's overall multimodal network priorities, new funding tools should also be explored. Collaborating on an expanded set of funding tools as part of transportation governance, while the Regional Transportation Plan (RTP) is being completed, will ensure municipalities' multimodal priorities, including higher-order transit, are not limited by existing funding sources.

## **Key Distinction for Advocacy**

### **1) Transit Funding to Maintain Existing Service Levels and Reliability (Base Operating)**

Annual funding increases required to deliver the same customer-facing service (same routes, frequencies, and span) and maintain reliability, including both:

Rolling costs (in-service / on-road): resources required to operate scheduled service in real-world conditions, such as: increased running time due to congestion and delays; additional recovery time needed to preserve schedule adherence and operator breaks; impacts from detours, construction, incidents, and other network disruptions;

- impacts due to service reduction from other providers (i.e. school districts reducing bussing service); and
- operational measures to reduce pass-ups/overcrowding and stabilize on-time performance.
- Non-rolling costs (fixed/support): costs required to keep the system operating, such as: operations supervision, scheduling, training, and administration;
- maintenance labour/materials, fleet readiness, facilities, and servicing; and
- safety, technology, and other support functions.

Adding hours solely to protect schedule adherence and maintain current frequency/span (because buses are moving slower) is not service expansion, it is base operating funding required to prevent service degradation.

### **2) Transit Funding for Service Expansion (Net New Service Only)**

Funding that delivers new service beyond the current baseline, such as:

- new routes or new service areas;
- increased frequency above current levels;
- extended span of service; and/or
- additional capacity that represents a net new offering.

Expansion funding should be reserved for net new service outcomes, not to offset running-time inflation or preserve today's service.

### **3) Exploration of New Funding Tools for the Region's Multimodal Network Priorities**

Per Board direction, CRD is exploring improved governance models to enhance the effectiveness of decision-making and implementation of the region's multimodal priorities, including transit, active transportation, and goods movement. Any improved governance models emerging from the Board-directed transportation governance review that is concurrently underway will ultimately be limited by the current funding mechanisms available to the CRD and BC Transit. Advocacy by the CRD to unlock new funding tools, integrated with strengthened governance, will be more effective, as improved decision-making and accountability can be directly linked to the region's multimodal priorities.

#### **Why This Item is Timely**

- Population growth and housing targets require immediate and sustained transit capacity to keep pace.
- Congestion driven running time increases erode reliability and decrease service levels without additional base operating funding.
- A unified regional position (CRD and 13 municipalities) on funding advocacy, including any related governance or needed legislative changes, strengthens provincial discussions.
- The Victoria Regional Transit Plan (VRTP) is near completion and the RTP is in development. Funding for transit expansion and regional multimodal priorities will be key outcomes of these respective plans.
- Increasing funding requires time, addressing funding for public transit prior is important to ensure that the impacts of increased densification has a reduced impact on transportation corridor level of service.
- As the work plan for transportation governance continues in parallel with the RTP update, new governance models being explored can be integrated with potential new funding sources that together combine improved decision making with a future investment plan capable of delivering the region's transit and other multimodal priorities.

## **Conclusion**

Maintaining reliable transit service and delivering net new service expansion are distinct funding needs that should be clearly separated in the region's advocacy. Given current pressures from on-road operating conditions and fixed/support cost increases, alongside growth and housing-driven demand, this is an appropriate time for the CRD Board to advance a coordinated, region-wide request to the Province for immediate, stable, multi-year funding increases that protects existing service and enables targeted expansion. To ensure adequate funding sources are available to support the forthcoming multimodal priorities of the VRTP and RTP, RTAC's consideration and direction will help ensure that the CRD's comprehensive advocacy for immediate transit funding and new funding tools is clear, unified, and aligned with measurable service outcomes.