



Alberni-Clayoquot Regional District

ALBERNI VALLEY & BAMFIELD SERVICES COMMITTEE MEETING

WEDNESDAY, NOVEMBER 6, 2019, 1:30 PM

Regional District Board Room, 3008 Fifth Avenue, Port Alberni, BC

AGENDA

	PAGE #
1. <u>CALL TO ORDER</u>	
Recognition of Territories.	
2. <u>APPROVAL OF AGENDA</u>	
<i>(motion to approve, including late items requires 2/3 majority vote)</i>	
3. <u>ADOPTION OF MINUTES</u>	
a. Alberni Valley & Bamfield Services Committee Meeting held September 4, 2019	3-5
<i>THAT the minutes of the Alberni Valley & Bamfield Committee meeting held on September 4, 2019 be adopted.</i>	
4. <u>PETITIONS, DELEGATIONS & PRESENTATIONS (10-minute maximum)</u>	
5. <u>CORRESPONDENCE FOR ACTION/INFORMATION</u>	
6. <u>REQUEST FOR DECISIONS & BYLAWS</u>	
a. REQUEST FOR DECISION	6-16
Alberni Valley Custom Transit Fare Review	
<i>THAT the Alberni Valley & Bamfield Services Committee recommend that the ACRD Board of Directors adopt the BC Transit cash fare recommendation of \$2.00 per ride; effective April 1, 2020.</i>	
7. <u>REPORTS</u>	
8. <u>LATE BUSINESS</u>	
9. <u>IN CAMERA</u>	
<i>Motion to close the meeting to the public as per the Community Charter, section:</i>	
i. 90 (1) (j) : <i>information that is prohibited, or information that if it were presented in a document would be prohibited, from disclosure under</i>	

section 21 (1) (c) (i) & (iii) of the Freedom of Information and Protection of Privacy Act.

10. RECOMMENDATIONS FROM IN-CAMERA

11. ADJOURN



Alberni-Clayoquot Regional District

MINUTES OF THE ALBERNI VALLEY & BAMFIELD SERVICES COMMITTEE MEETING HELD ON WEDNESDAY SEPTEMBER 4, 2019, 1:30 PM

Regional District Board Room, 3008 Fifth Avenue, Port Alberni, BC

- DIRECTORS** John McNabb, Chairperson, Director, Electoral Area "E" (Beaver Creek)
- PRESENT:** Bob Beckett, Director, Electoral Area "A" (Bamfield)
Tanya Shannon, Director, Electoral Area "B" (Beaufort)
Penny Cote, Director, Electoral Area "D" (Sproat Lake)
Dianne Bodnar, Director, Electoral Area "F" (Cherry Creek)
Sharie Minions, Mayor, City of Port Alberni
Cindy Solda, Councillor, City of Port Alberni
John Jack, Councillor, Huu-ay-aht First Nation
- REGRETS:** Wilfred Cootes, Councillor, Uchucklesaht Tribe Government
- INVITED** Debbie Haggard, Councillor, City of Port Alberni
- GUESTS:** Ron Paulson, Councillor, City of Port Alberni
Ron Corbeil, Councillor, City of Port Alberni
Helen Poon, Councillor, City of Port Alberni
- STAFF PRESENT:** Douglas Holmes, Chief Administrative Officer
Teri Fong, Manager of Finance
Mike Irg, Manager, Planning & Development
Rob Williams, General Manager of Environmental Services
Wendy Thomson, Manager of Administrative Services
Jenny Brunn, Manager of Operations

1. **CALL TO ORDER**

The Chairperson called the meeting to order at 1:38 pm.

The Chairperson recognized the meeting today is being held in the Tseshaht First Nation and the Hupacasath First Nation Territories.

WELCOME

Invited Guests: City of Port Alberni Councilors and staff.

2. **APPROVAL OF AGENDA**

MOVED: Director Solda

SECONDED: Director Cote

THAT the agenda be approved as circulated with the addition of the following late time: 4. (b) Verbal Report – Alberni Valley Landfill new rates bylaw.

CARRIED

3. PETITIONS, DELEGATIONS & PRESENTATIONS

- a. **Bill Collette & Gail Horvath, Alberni Valley Chamber of Commerce – regarding a number of projects in the Alberni Valley which could involve the ACRD.**

The delegation conducted a presentation on a number of issues in the Alberni Valley that have been discussed by the Chamber since 2014 including the following: welcome signage, highway approach, beautification, billboard advertising, RV access for visitor services, hole in the wall and outdated and unenforced bylaws.

4. REPORTS

- a. **Information Report: Alberni Valley Transit Initiatives – Rob Williams, General Manager of Environmental Services**

*MOVED: Director Cote
SECONDED: Director Solda*

THAT the Alberni Valley & Bamfield Services Committee receive this report for information.

CARRIED

- b. **Late Report – AV Landfill Rates Increase Bylaw**

The Chief Administrative Officer clarified misinformation reported at the Board meeting on August 28th regarding the Alberni Valley Landfill Tipping fee increases coming into effect on November 1, 2019. The Manager of Operations circulated to Directors an information sheet for tipping fee increases “Frequently Asked Questions”. This document will be shared with the public as part of their public education plan.

*MOVED: Director Minions
SECONDED: Director Solda*

THAT the Alberni Valley & Bamfield Services Committee receive this report.

CARRIED

5. LATE BUSINESS

6. IN-CAMERA

MOVED: Director Solda
SECONDED: Director Jack

THAT the meeting be closed to the public as per the Community Charter, section:
i. 90 (1)(k): negotiations and related discussions respecting the proposed provision of a regional district service that are at their preliminary stages and that, in the view of the committee, could reasonably be expected to harm the interests of the regional district if they were held in public.

CARRIED

The meeting was closed to the public at 2:40 pm.

The meeting was re-opened to the public at 3:33 pm.

7. RECOMMENDATIONS FROM IN-CAMERA

The following recommendations from the in-camera portion of the Committee meeting were reported out in open meeting:

THAT the Alberni Valley & Bamfield Services Committee recommend to the ACRD Board of Directors that the Alberni Valley Solid Waste Education Plan and Waste Composition Study be received for information.

THAT the Alberni Valley & Bamfield Services Committee recommend that the ACRD Board of Directors direct staff to investigate and report back on the feasibility of a clear bag program for the Alberni Valley and Bamfield.

8. ADJOURN

MOVED: Director Minions
SECONDED: Director Shannon

THAT the meeting be adjourned at 3:44 pm.

CARRIED

Certified Correct:

John McNabb,
Chairperson

Wendy Thomson,
Manager of Administrative Services



REQUEST FOR DECISION

To: Alberni Valley & Bamfield Services Committee

From: Rob Williams, General Manager of Environmental Services

Meeting Date: November 6, 2019

Subject: Alberni Valley Custom Transit Fare Review

Recommendation:

THAT the Alberni Valley & Bamfield Services Committee recommend that the ACRD Board of Directors adopt the BC Transit cash fare recommendation of \$2.00 per ride; effective April 1, 2020.

Desired Outcome:

That the ACRD Board adopt a fare structure that is easy for users, does not create conflicts for drivers, contributes to the overall cost recovery, and is in alignment with the City of Port Alberni’s conventional transit service.

Background:

The current ACRD custom (handyDART) transit fares have been in place for many years. BC Transit assists with the creation of fare structures and has notified ACRD staff that the system is overdue for a fare review. Fares are typically reviewed and adjusted when there are service improvements or expansions in order to help with cost recovery objectives. This is an opportune time for review considering the ACRD’s 1,300 transit expansion that was implemented in September 2019. The attached BC Transit report provides a comprehensive analysis of the current and proposed fare structure for the ACRD.

In summary, a primary challenge with the current ACRD custom transit fare system is that it is based on the following distant based fare structure:

Fare Product	Riders	Current Fares
Cash	City Boundary + 6km	\$2.00
	6-13km from City Boundary	\$2.75
	13-20km from City Boundary	\$3.25
	20km+ from City Boundary	\$4.50

While this structure has theoretically been in place for some time, the distance-based pricing has rarely, if at all been enforced considering the challenge it places on transit operators to understand and apply. Enforcing this structure also exposes the transit operators to conflicts with transit riders. Collection of a \$2.00 cash fare has been the norm for transit operators.

BC Transit highlights the following four key fare objectives in order to create a positive fare structure:

1. A fare structure that is attractive to customers and encourages ridership,
2. A fare structure that is marketable and is easy to produce and sell,
3. A fare structure that has low costs of operation and debt service, and
4. A fare structure that is secure and hard to defraud.

ACRD staff are recommending that the ACRD Board adopt BC Transit's recommendation to change the custom transit fare structure to a \$2.00 cash fare, effective April 1, 2020. This will help meet noted fare objectives and align with the City of Port Alberni's adult cash fare for the local conventional system. Note, discounted fare products (monthly passes) are not typically offered for custom transit systems as this is considered a premium door-to-door service often more expensive to operate than conventional transit.

Time Requirements – Staff & Elected Officials:

A small amount of time will be required by ACRD staff to work with BCT Transit and the local operating company in order to implement this change.

Financial:

There is no estimated financial change to the ACRD custom transit budget from this change considering, on average, it is estimated that a \$2.00 cash fare was been collected under the current structure.

Policy or Legislation:

None at this time.

Options Considered:

The only alternative option is to not proceed with this fare change and maintain the status quo. This is not recommended considering the negative aspects noted above with this current structure, most notably the challenge of administering and enforcing distant-based fares.

Submitted by: 

Rob Williams, MSc, General Manager of Environmental Services

Approved by: 

Douglas Holmes, BBA, CPA, CA, Chief Administrative Officer



Fare Review Report

Alberni-Clayoquot Regional District

October 2019



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1.1 Overview

BC Transit has prepared this fare review report for the Alberni-Clayoquot Regional District's (ACRD) custom service as a part of its efforts to help to align custom transit fares with the City of Port Alberni's conventional fares. Fare changes in both the ACRD and City of Port Alberni transit systems are recommended to be implemented on April 1, 2020.

This report was developed in collaboration with ACRD staff. As such, it takes into account the following local considerations (*for discussion*):

- Fare Alignment between the City of Port Alberni Conventional, and ACRD Custom Service
- System Constraints

Through accounting for both ACRD and BC Transit priorities, this report presents recommendations that provide a clear and sustainable direction for the fare structure of the ACRD's custom transit system. As a custom system, ACRD's fare pricing equity compared with the City of Port Alberni is the primary focus of this report; details on conventional pricing are provided for reference and remain the control of the City of Port Alberni.

A glossary of transit terms appears in Appendix A.

2.1 BC Transit Fare Strategy

BC Transit's Fare Strategy for conventional systems has guided decision making in its transit systems towards improving the net yield of fare revenues (revenue collected less the costs of revenue collection). The fare strategy was developed through collaboration with local partners and accounts for both local considerations and BC Transit corporate priorities. To improve the net yield of fare revenues, fare structure decisions are made considering the following four key objectives:

1. The fare structure is attractive to customers and encourages ridership
2. The fare structure is marketable and is easy to produce and sell
3. The fare structure has low costs of operation and debt service
4. The fare structure is secure and hard to defraud

With these objectives in mind, any changes to the fare structure should be made with the intent of simplification. This is to make it easier for customers to comprehend and purchase the correct fare, easier and less costly to administer and more difficult to defraud. To help accomplish these objectives, BC Transit developed the fare structure guidelines found in Table 1 below. For reference, the adult cash fare is the base from which other fares are calculated.

Table 1 BC Transit Fare Structure Guidelines

Fare Product	Fare Type	BC Transit Fare Guideline
Cash	Adult	Base Fare
	Discount	Base Fare
Tickets	Adult	9 times Base Fare
	Discount	9 times Base Fare
DayPASS	Adult	2 times Base Fare
	Discount	2 times Base Fare
Monthly Pass	Adult	20 to 30 times Base Fare
	Discount	Adult Monthly Pass less 15%
Semester Pass	Student	4 times discount monthly pass less 20%
Transfers	All	No Transfers
Zones	All	No Zones

BC Transit has been working to align the cash fare pricing of conventional and custom service. In the case of the City of Port Alberni and ACRD the decision on fare pricing rests with two different local government bodies.

3.1 Current Fare Structure and Performance

The current ACRD’s custom service fare structure provides distance pricing unlike conventional service in the City of Port Alberni. With little details on where zones start and end the current pricing mix presents a point of conflict for riders who disagree with or misinterpret the fare table. Not just confusing for customers who are unsure of how far their trip is, enforcement of such broad language makes it difficult to determine how the structure is intended to be sold to customers.

Table 2 Current Fares, Alberni-Clayoquot Regional District Transit System

Fare Product	Riders	Current Fares
Cash	City Boundary + 6km	\$2.00
	6-13km from City Boundary	\$2.75
	13-20km from City Boundary	\$3.25
	20km+ from City Boundary	\$4.50

When referring to the BC Transit Fare Guidelines, the ACRD Transit System fare structure could be better aligned with the removal of distance based cash fares. Accordingly, recommendations on potential new fare structures will focus on the simplification of the fare structure with the intent of providing equitable pricing to custom service users.

The table below highlights key performance statistics for the ACRD Transit System for the fiscal year 2018/19.

Table 3 Key Performance Measures

Measure	Performance
Ridership Growth (4-year annual compound rate)	-4%
Revenue Growth (4-year annual compound rate)	-5%
Ridership*	15,605
Revenue	\$29,486
Revenue From Fare Sources**	\$29,486
Fare Revenue from Pre-paid Sources	0%
Average Fare	\$1.89
Cost Recovery	5%

*Includes attendant ridership

**Excludes advertising, BC Bus Pass and miscellaneous revenue. Represents revenue that can be affected by fare change.

Ridership – Trend analysis of annual ridership in the ACRD Transit System outlines an overall decrease over the past four years.

Revenue – Similar to ridership, revenue in the ACRD Transit System has shown a decrease over the past four years.

4.1 Proposed Custom Fare Options

Providing equity to transit riders is a key objective for BC Transit. As such, the following changes to custom service for the Alberni-Clayoquot region are suggested:

Table 4 Proposed Custom Fare Options

Fare Product	Riders	Current Fares	Proposed
Cash	City Boundary + 6km	\$2.00	\$2.00
	6-13km from City Boundary	\$2.75	
	13-20km from City Boundary	\$3.25	
	20km+ from City Boundary	\$4.50	

The proposed fare structure is a clear and easy to understand price for both riders and operators alike. This also reduces the potential for conflict regarding the ambiguous nature of the current zones. The proposed option also aligns to the options being presented in the City of Port Alberni for their conventional service and seeks to align the cash fare between custom and conventional services. The expected quantitative revenue and ridership impacts of the proposed fare structures can be found in Table 5:

Table 5 Custom Quantitative Analysis

Quantitative Analysis	Proposed
Projected Impact on Revenue	-\$2,187 (-13%)
Projected Impact on Ridership	+444 (3%)

As is detailed in Table 5, the proposal results in a minimal dollar decrease to revenues and a slight increase to ridership. Most importantly, by working with the City of Port Alberni this aligns the equity of custom transit users to that of conventional.

5.1 Fare-Related Considerations

Along with BC Transit’s priorities, the following considerations specific to the ACRD Transit System warrant acknowledgement as a part of the fare review process.

Fare Alignment between the City of Port Alberni Conventional, and ACRD Custom Service

Typically, the same local government manages conventional and custom transit service for a given area. For services in the Alberni-Clayoquot region conventional fares are set and reviewed by the City of Port Alberni whereas the Alberni-Clayoquot Regional District oversees fares for the regional custom (HandyDART) service. With the goal of service equity, BC Transit recommends the alignment of cash fares across services so that riders using conventional or custom service pay the same fee. The option presented in this report aligns the cash fares in both service types.

System Constraints

The way impacts to ridership in relation to fare changes are calculated are based in theory. Meaning that it is assumed that a system is able to accommodate the potential growth. The numbers presented in this report are based off financial and ridership models using transit elasticity theory. In reality systems such as the Alberni-Clayoquot's custom service have limiting factors (such as service hours) associated with providing additional service and may not be readily able to accommodate the expected increase in ridership listed above. Compounding the difficulty in calculating impacts is that the current enforcement of distance-based fares is unknown and the impact of distance pricing not being enforced would result in the model overstating the potential impacts to revenue and benefits to ridership.

6.1 Implementation

As with any significant change associated with transit service, BC Transit will provide a full-scale marketing and communications plan to inform the public on how their transit experience will change. This would include a mix of digital, print and radio advertising, media advisories, social media promotion and on-bus information as best suited for transit audiences in Alberni-Clayoquot. In addition to this, BC Transit staff will work with the local operating company to ensure that all operations staff are aware of the changes to policies and practices involved with the introduction of the DayPASS-on-board program.

7.1 Recommendations

It is recommended that the Alberni-Clayoquot Regional District:

1. Receive this report as information
2. Approve the proposed custom fare structure to align with the City of Port Alberni's conventional system for implementation on April 1, 2020
3. Direct staff to work with BC Transit to implement the fare change

Please note that fare changes should be scheduled for the 1st of a given month. BC Transit requires at least sixteen weeks notice after Council's approval to implement any fare changes.

Appendix A: Glossary of Transit Terms

Adult fare: A regular fare must be paid by all passengers who do not qualify for a discount or cannot prove eligibility.

Average fare: Total revenue from fare sources divided by ridership (including BC Bus Pass)

Cash fare: A cash fare allows one person to use transit. No change is given on the bus so exact fare must be used.

Child: A person who is four years of age or under. Children may ride the bus for free.

College student: Adult students in full-time attendance at a recognized post-secondary institution who are eligible to receive a discount monthly or semester pass.

Conventional transit: Serves the general population in urban settings using mid-sized or large buses. The buses are accessible and low-floor and run on fixed routes and fixed schedules.

Cost recovery: Reflects annual total revenue divided by total costs. This ratio indicates the proportion of costs recovered from total revenue. A strong cost recovery is desirable, as it reduces the subsidy from the taxpayer. However, this is a municipal policy decision.

DayPASS: A DayPASS offers a discount for unlimited travel throughout the day. The DayPASS-on-board program provides customers with a convenient way to purchase their DayPASS on the bus.

Discount fare: Discount on cash fares and pre-paid products are applicable to seniors (aged 65+), students in full-time attendance to Grade 12 and full-time college students.

Family Travel Program: An adult customer can bring up to four children (12 years and under) on board for free. Children must board and alight at the same stop as the pass-carrying customer. The program is available to parents and guardians who are 19 years and over with a valid monthly pass, ProPASS, or BC Bus Pass. This program does not apply to cash fares and tickets.

Fare Structure: The fares and products available to purchase and use transit and the policies associated with their use.

Monthly pass: For users taking transit regularly throughout the month, a monthly pass offers a discount for unlimited travel.

Net yield: The total yield of fare revenues once the costs of revenue collection have been deducted. Improving the net yield of fare revenues is the goal of BC Transit's fare strategy.

Pre-paid fare: Fare products that provide a discount for pre-purchase. This includes ticket, DayPASS and monthly pass fares.

Semester pass: A four-month discounted pass for students. Semesters run from January to April, May to August and September to December.

Student: A person in full-time attendance in school to Grade 12.

Ticket: Each ticket allows one person to use transit. When purchasing a package of ten tickets, a user will receive a discount. Using tickets has the advantage of not requiring exact change to be used on the bus.



Total revenue: Includes passenger and advertising revenue and excludes property tax.

Transfer: When a user pays for their fare using cash or tickets and requires more than one bus to complete their trip, they may request a transfer from the operator. Transfers are free, valid for the next connecting bus and cannot be used for a return trip.