

To: Regional and Corporate Services Committee
From: Melissa Geddert, Planner I

Date: 2021-11-12
File No: 8500-35-27080

Subject: Fraser Valley Regional District Transit Services Update – Three Year Transit Expansion Initiatives

RECOMMENDATION

THAT the Fraser Valley Regional District Board support the 2022/2023 expansion initiative to address bus storage capacity limitations and allow for full implementation of the previously approved Fraser Valley Express service expansion to Lougheed Town Centre SkyTrain Station;

AND THAT the Fraser Valley Regional District Board support the addition of two in-service trips of the Fraser Valley Express (FVX) to begin in BC Transit's 2022/2023 fiscal year should demand warrant;

AND THAT BC Transit and the FVRD review and confirm the FVX Transit service expansion priorities outlined for 2023/2024 to ensure they align with ridership demand and regional transit interests before consideration of next year's Transit Expansion Initiatives Plan;

AND FURTHER THAT BC Transit undertake more detailed costing analysis and engagement for potential expansion of transit service to the north side of the Fraser River between the District of Kent and City of Mission.

BACKGROUND

Each year BC Transit confirms service expansion plans for the coming annual operating period and **outlines priorities for the subsequent two years through BC Transit's Three Year Transit Expansion Initiatives Plan (TIP)**. The annual Transit Improvement Program (Appendix A), ensures that transit **expansions are consistent with the FVRD's expectations and allows BC Transit to secure the necessary** funding and resources from both the provincial government and local partners to implement service expansions.

BC Transit and the FVRD continue to monitor ridership and adjust for the continued impacts of the pandemic on transit. Information in this report provides context for the expansion initiatives outlined in the TIP and highlights how the Region is doing in terms of COVID recovery and the various impacts on transit.

DISCUSSION

Transit ridership is slowly recovering and the provincial average is at approximately 67% of pre-COVID ridership levels seen in 2019. Regional services are performing quite well year-to-date (September) compared to the provincial average, particularly within the rural FVRD transit services:

- Agassiz Harrison Route 11 - 87% ridership compared to 2019 levels
- Hope Route 22 – 88% ridership compared to 2019 levels
- FVX Route 66 – 60% ridership compared to 2019 levels

Maintaining current transit services and supporting ridership recovery continues to be a challenge in the face of the pandemic. An added complexity in recent months has been a shortage of qualified transit operators. Labour shortages are showing up in many industries, and the transportation sector is no different. Disruptions caused by the driver shortage and continued COVID-19 concerns may be impacting ridership recovery on the FVX, directly and/or indirectly.

Driver Shortage Impact

The Central Fraser Valley (CFV), Chilliwack (CWK) and FVRD Transit systems are currently experiencing service challenges due to a shortage of qualified bus operators. This trend is happening in all transit systems across the Province and many service based organizations. The CFV, CWK and FVRD Transit Systems have a shared driver pool and the shortage of operators is impacting transit services across the region.

Customer complaints have increased due to delayed service delivery and missed transit service throughout the Fraser Valley. The table below demonstrates the missed service hours from June to September 2021:

Regional (CFV, CWK and FVRD) Transit: Missed Service and Service Delivery

Monthly	Missed Service Hours	Service Delivery
<i>June</i>	64	99.5%
<i>July</i>	218	98%
<i>August</i>	110	99.1%
<i>September</i>	525 (estimate)	95.9% (estimate)

BC Transit and its operations team are managing the missed service as best they can by targeting high frequency routes for trip cancellations and ensuring as much as possible that lower frequency rural routes remain serviced. The majority of missed service is within the CFV and Chilliwack transit systems, and the FVX. To minimize the impact to the customers, customer alerts are posted once trip cancellations are confirmed. BC Transit and the operating company is actively recruiting transit operators and training more drivers to help remedy the situation.

BC Transit operations reports that missed service seems to have peaked in the month of September, and the level of service disruptions due to driver shortage has declined over the month of October. Once operator levels return, BC Transit can then resume executing current transit schedules. The driver shortage will however, have an impact on the FVX expansion.

FVX Impact: The expansion hours and buses required for the FVX expansion will require additional drivers over and above the current regional driver pool. To reduce pressure on the existing situation and to allow for the hiring and training of more qualified operators BC Transit has notified the FVRD that the launch of the FVX service expansion will be delayed from January 2022 to March 2022.

Proposed Expansion Initiatives (as per Provincial Fiscal Year)

2022/2023

The first year of BC Transit’s Three Year Transit Expansion Initiatives Plan (TIPs) cycle accounts for additional hours required to address capacity limitations at the Chilliwack transit facility. With the FVX expansion in 2022, and its four additional buses, the facility will be at capacity and will be a barrier to future **expansions for the City of Chilliwack’s** and FVRD services. The lack of capacity at the Chilliwack Transit Facility has implications for the FVX expansion.

To allow for City of Chilliwack’s planned expansions, the four buses required to service the FVX expansion will be relocated to the CFV’s new transit facility in Abbotsford on a temporary basis, until a new facility is built in Chilliwack. The costs contained in the Year 1 initiative include the 1,100 hours necessary to accommodate pull trips (dead heading) for buses serviced out of the CFV Transit Facility at an estimated annual cost of \$160,000. In addition, 1,500 hours have been allocated for two additional in-service trips should expansion demand warrant. Combined, the estimated net municipal share will be \$176,725. Discussions are ongoing to determine whether there may be ways to reduce costs by possibly making some of these pull trips revenue generating.

The costs associated with the year-one expansion can be accommodated without increasing taxation by using the FVX service appropriated surplus, which is sitting at \$1.3 million as of year-end 2020. Once the facility is complete these hours will be available for revenue generating trips.

Proposed Expansion Initiatives						
AOA Period	In Service	Annual Hours	Vehicle Requirements	Estimated Annual Revenue	Estimated Annual Total Costs	Estimated Annual Net Municipal Share
2022/2023	September	2,600	0	\$38,399	\$403,538	\$176,725
		Description	1,500 hrs for 2 additional in-service trips, and 1,100 hrs to accommodate pull trips for buses serviced out of CFV			

2023/2024

FVX expansion initiatives in year two of the proposed Expansion Plan will require more detailed planning by BC Transit and careful evaluation of transit ridership recovery and ridership demand prior to consideration by the FVRD and its municipal partners. The implementation of further expansion of

the FVX is subject to COVID-19 recovery, demand, revenue growth and longer-term may be dependant on new transit partnerships.

2024/2025

Assessing the feasibility of expansion of FVRD transit service between District of Kent and City of Mission as outlined in the third year of the planning cycle remains a priority. Initial planning work has been underway on the North of the Fraser initiative and the potential expansion generated interest during the Transit Future Action Plan (TFAP) process. Completion of the feasibility study has been delayed due to COVID-19 and, **as has been discussed in previous years' TIPS, facility capacity in Chilliwack will need to be resolved to facilitate such an expansion.**

Following a detailed planning, engagement and costing analysis by BC Transit, the FVRD and its member municipalities and interested Indigenous communities along the corridor will consider implementing the new service.

COST

Under BC Transit's funding formula, the province funds 46.69% of conventional transit systems and local governments 53.31%. Revenues collected from the transit systems are used to reduce the local property tax share of the costs.

The estimated year one net municipal share will be \$176,725. The additional cost of the year one initiatives will be offset by the FVX Appropriated Surplus account which sits at approximately \$1.3 million (year-end 2020). The surplus is projected to be higher by year-end 2021 due to recovering revenues, Safe-Restart funds and other BC Transit supports received over the past year. Increased revenues from take-up of the Lougheed expansion may also offset some of these costs.

CONCLUSION

With the implementation of the FVX expansion, the FVRD will provide a valuable service for customers looking to more efficiently connect into Metro Vancouver and TransLink's SkyTrain service. Delaying the FVX expansion to March 2022 will help address the immediate challenges associated with the current driver shortage and the impact this is having on transit services in the region.

The purpose of the three-year TIP is to facilitate the full implementation of the FVX expansion to Lougheed SkyTrain Station and to further evaluate the demand for future transit expansions as outlined in years two and three of the TIPs cycle. The year one (2022/2023) commitment must be provided to BC Transit to address facility capacity issues and finalize the implementation planning of **the expansion and be included in the Province's 2022 budget.**

COMMENTS BY:

Alison Stewart, Manager of Strategic Planning and Initiatives: Reviewed and supported

Stacey Barker, Director of Regional Services: Reviewed and supported.

Kelly Lownsborough, Director of Corporate Services/CFO: Reviewed and supported.

Jennifer Kinneman, Chief Administrative Officer: Reviewed and supported.