

To: Regional and Corporate Services Committee

Date: 2025-07-10

From: Alison Stewart, Manager of Strategic Planning

Subject: BC Transit 2025 Fare Review – Agassiz-Harrison, Hope and FVX Services

Reviewed by: David Urban, Deputy Director of Regional Services  
Stacey Barker, Director of Regional Services/Deputy CAO  
Beth Klein, Controller/Deputy CFO  
Jennifer Kinneman, Chief Administrative Officer

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### RECOMMENDATION

**THAT** the Fraser Valley Regional District Board approve Fare Option 3 for the Agassiz-Harrison and Hope transit services to be implemented on October 1, 2025,

**AND THAT** the Fraser Valley Regional District Board approve the phase-out of the existing DayPASS product and the current transfer policy, to be replaced with the implementation of DayPASS-on-Board and Fare Capping within the Agassiz-Harrison and Hope transit services,

**AND FURTHER THAT** the Fraser Valley Regional District Board approve Fare Option 3 for the Fraser Valley Express transit service to be implemented on October 1, 2025.

### BACKGROUND

BC Transit has been undertaking a review of transit fares on the Central Fraser Valley (Abbotsford-Mission), Chilliwack, and Fraser Valley Regional District (FVRD) transit systems. The goal was to assess and implement transit fare adjustments that will meet the objectives of addressing inflation and increased operational costs being experienced across all three transit systems. Of relevance to the FVRD are recommendations on the Agassiz-Harrison (AGH), Hope and Fraser Valley Express (FVX) services.

BC Transit has been engaging partner municipalities and First Nations on the proposed changes. BC Transit's final FVRD Fare Review Report is recommending that AGH-Hope Option 3 and FVX Option 3 be implemented. Full descriptions of the options considered can be found in the Fare Review Report, see Appendix A.

## DISCUSSION

A fare review was previously initiated by BC Transit in 2020, but was suspended as the impact of the COVID-19 pandemic became clear and related provincial and federal supports were implemented. The federal/provincial Safe Restart funding included a freeze on fare increases until this year. In addition to general inflation, a new collective agreement has resulted in significantly higher operating costs. Looking forward, a new transit facility in Chilliwack will become operational in 2027/28 with, at this time, unknown final costs. With these cost pressures, the timing was appropriate for a review of **fares on the FVRD's transit services**. The last fare review for the AGH was in 2017 when the Hope service was introduced. The FVX fares have not been reviewed since the service was initiated in 2015.

According to BC Transit, the purpose of the fare review process is to review and implement transit fare adjustments, balancing the goals of maximizing revenue, attracting and retaining ridership, reducing fare complexity, and ensuring affordability, with the ultimate goal of aligning fares across the region, where applicable. The Fraser Valley Express (FVX) has a separate fare structure that reflects the greater distances travelled, however reviewing the types of products available and fares were also part of the review process.

The 2025 fare review objectives are to:

- Simplify the product offerings
- Align across the region
- Increase ease for passengers
- Boost ridership
- Get the most out of existing electronic fare collecting technology (Umo):
  - Use of stored value.
  - **Use of the 'Open Loop feature' to enable use of debit and credit cards without an app.**
  - Simplify to support ease of use.
  - Introduce fare capping to boost ridership.
  - **Equity focused so people don't overpay accidentally.**

The **review aligns with BC Transit's Fare Strategy**, as described in the Fare Review Report (page 3), which aims to balance revenue generation, ridership growth and retention, and affordability, while **ensuring consistency with BC Transit's Fare guidelines**.

### FVRD Service Performance

According to **BC Transit's Review Report**, AGH and Hope ridership and revenues have fluctuated in recent years but have been trending upward since the pandemic low-point in 2020, almost reaching pre-pandemic levels despite a four-month labour disruption in 2023. The FVX has seen consistent ridership and revenue growth since its inception in 2015 with 10% more ridership than pre-pandemic levels. Since its extension to the Lougheed Town Centre Skytrain Station high ridership levels have led to several service expansions to address over-crowding and pass-ups on some runs, with a further expansion scheduled for January 2026, see Table 1.

Table 1 – Conventional Key Performance Measures 2024 (page 9)

Measure	Agassiz-Harrison	Hope	FVX
Ridership	42,900	12,281	426,730
Ridership Growth (5-year Compound Annual Growth Rate)	-2%	-1%	+10%
Revenue*	\$128,981	\$20,582	\$1,757,438
Revenue Growth (5-year Compound Annual Growth Rate)	+4%	+5%	+12%
Revenue From Fare Sources**	\$107,034	\$19,826	\$1,692,410
Fare Revenue from Pre-paid Sources	14%	43%	28%
Cost Recovery	16%	3%	46%

\*Includes BCBP revenues and Youth 12&Under Funding

\*\*Revenue from fare sources represents the revenue that can be influenced by the changes discussed in this report and do not include BCBP revenues or Youth 12& Under Funding

While ridership and revenues have increased to levels reaching and, in some cases, exceeding pre-COVID levels, the systems have also been experiencing significantly higher operating costs from inflation, the new collective agreement and other factors. A new transit facility in Chilliwack, which is critical to support long-term growth of the Chilliwack and FVRD transit systems, will be operational in 2027/28, and will add further to annual costs.

As noted in the Fare Review Report:

“Looking ahead, operating costs are expected to continue rising due to inflationary pressures and increasing service demands. Without additional revenue streams, the ability to sustain and expand transit services will be limited. To maintain financial sustainability and meet growing community needs, it will be essential to explore revenue-generating measures such as fare adjustments and service innovations.” (page 10)

### AGH and Hope BC Transit Proposals

For the purposes of BC Transit’s Fare Review Report, the AGH and Hope services are discussed together, however it is important to recognize that beyond a common fare structure, the two services are separate and have their own budgets, costs and revenues.

BC Transit is recommending implementing fare capping through Umo, which will ensure passengers using Umo stored value, or soon to be introduced, Open-Loop (credit/debit card) payments never pay more than the equivalent of two single fares per day. This will allow riders to receive a DayPASS automatically after tapping twice in a day, making daily travel more affordable and convenient. Cash users will be able to take advantage of this product by purchasing a DayPASS from the bus driver when they board the bus (DayPASS-on-Board).

To implement this change, it is proposed that the 90-minute transfer policy, the pre-purchased digital DayPASS, and the 10-ride digital pass be discontinued, streamlining the fare product offering and encouraging the use of Umo. Fare capping and the DayPASS-on-Board will only be available on the AGH, Hope and City of Chilliwack transit services.

Fare capping and DayPASS-on-Board has been implemented in eleven other major transit systems in the province and has demonstrated significant benefits.

Table 2 – AGH/Hope Recommended Fares (Option 3)

Fare Product		Current Fares	Fares		
			25/26	26/27	27/28
Single Ride	All	\$2.50	\$2.50	\$2.50	\$2.75
DayPASS*	All	\$5.00	\$5.00	\$5.00	\$5.50
10-Rides	All	22.50	Discontinued		
30-Day Pass	Adult	\$44	\$50	\$50	\$59
	Concession Student/Senior	\$35	\$43	\$43	\$49

\*DayPASS-on-Board and Fare Capping to generate automatic DayPASS.

As shown in Table 2, single-ride and cash fare products will remain at current levels until 2027/28. The 30-day Adult and Concession products will increase in 2025/26 and again in 2027/28. The 10-ride product will be discontinued.

### FVX BC Transit Proposals

For the FVX, BC Transit is recommending expanding eligibility for the 30-Day Concession Pass to include post-secondary students, who to this point have not been eligible. The 10-ride pass will continue as it is a popular product on this service.

Table 3 – FVX Recommended Fares (Option 3)

Fare Product		Current Fares	Fares		
			25/26	26/27	27/28
Single Ride	All	\$5.00	\$5.00	\$5.00	\$5.50
10-Rides	All	\$45.00	\$45.00	\$45.00	\$49.50
30-Day Pass	Adult	\$100	\$100	\$100	\$110
	Concession Student/Senior/College	\$85	\$85	\$85	\$95

As shown in Table 3, the price of all FVX fare products will remain at current levels until 2027/28. The extension of the 30-Day Concession Pass to post-secondary students will be implemented in October 2025.

## COST

Fare changes will be implemented over a three-year period and will generate estimated increased revenues as follows in Table 4.

Table 4 – Estimated Impact on Revenue (Option 3)

Transit Service	Estimated Revenues		
	25/26	26/27	27/28
<b>AGH-Hope Option 3</b>	+\$22,834 (18%)	\$0 (0%)	+\$12,784 (8%)
<b>FVX Option 3</b>	+\$19,727 (1%)	\$0 (0%)	\$133,580 (8%)

## CONCLUSION

While ridership and revenues in the FVRD services have increased to levels reaching, and in some cases exceeding, pre-COVID levels, the services have been experiencing significantly higher operating costs from inflation, the new collective agreement and other factors. A new transit facility in Chilliwack, which will be operational in 2027/c28, will add further to annual costs. The proposed fare adjustments will help offset some of these increases and, in the case of the AGH and Hope services, will simplify fare structures; ensuring affordability and promoting ridership while aligning fares across the Central Fraser Valley (Abbotsford-Mission), Chilliwack, and FVRD transit systems by 2027.

BC Transit is recommending that AGH-Hope Option 3 and FVX Option 3 be implemented.