

Victoria Regional Transit Commission

Chair and Members

September 10, 2024

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SUBJECT: Three-Year Expansion

PURPOSE

This report requests **APPROVAL** from the Victoria Regional Transit Commission (the “Commission”) to confirm expansion plans for the 2025/26 Service Plan, and to plan service levels for the following two fiscal years for budget purposes.

BACKGROUND

BC Transit confirms service expansion plans with local government partners on an annual basis to coordinate the development of three-year budgets and capital plans with the Provincial Service Plan and to allow BC Transit to request funding and resources to implement service expansion.

DISCUSSION

The Commission has set an ambitious goal of achieving a 15 per cent transit mode share by 2050, which requires a more than doubling of transit service within the region over the next 25 years. System ridership is growing rapidly, increasing by 11.9 per cent over the last year. Increasing passenger crowding on buses, pass-ups, and other key system performance metrics continue to show a critical need to continue investing in transit. Feedback through our customer service channels, including our Voice of the Rider platform and on-going engagement with the public and local government partners further reinforce the need for expanded transit service.

BC Transit is recommending that funding for expansion resources be pursued for both conventional and custom service each year from 2025/26 to 2027/28. This investment trajectory will allow BC Transit to meet growing ridership demand and build towards the Commission’s goals. The service expansions outlined below represent the maximum expansion trajectory staff feel is possible based on vehicle availability, operations and maintenance facility capacity, and projected labour levels. The ability to proceed with these service expansion plans needs to be re-confirmed on an annual basis; further, these plans remain subject to provincial funding, the ability to hire and maintain sufficient labour levels, the purchase and delivery of buses, and the planning, phasing, and delivery of capital infrastructure and IT projects which support the implementation of service expansion. Finally, the Taxi Supplement expansion initiatives remain subject to confirmation from the Province that Taxi Supplement is eligible for expansion funding.

Service expansion priorities are collected through strategic transit planning initiatives, system performance and feedback from local partners and the public. These activities have identified almost 300,000 hours of transit service improvements. Proposed service improvements are

ranked using a range of criteria including population served, potential ridership, environmental impact, accessibility and impact on service reliability.

Key strategic service investments prioritized between 2025/26 and 2027/28 include the following:

- RapidBus and Frequent Transit Network service improvements
- Development of the crosstown network on the Admirals/McKenzie corridor
- Simplifying and improving transit service on the Quadra corridor
- Improvements to YYJ Airport and Peninsula service
- Improvements to Sooke and other West Shore routes
- Introductory coverage service in rapidly developing communities

The following table summarizes the general expansion initiatives identified for the Victoria Regional Transit System, along with high level costing based on the hourly rates of the system. Confirmation of this general level of investment and intent to commit to the expansion and associated budget is required to request funding from the Province to implement service expansion.

PROPOSED CONVENTIONAL EXPANSION INITIATIVES						
AOA Period	In Service	Annual Hours	Vehicle Requirements	Estimated Annual Revenue	Estimated Annual Total Costs	Estimated Annual Net Municipal Share
2025/26	January	30,000	12	879,016	5,688,749	3,216,661
		Description	Address passenger comfort and service reliability challenges. Introduction of Route 40 UVIC/Dockyard (via Admirals and McKenzie) to support the McKenzie RapidBus Line implementation in 2026/27. Peninsula transit service investments, with a focus on BC Ferries and the Victoria International Airport to accommodate increasing demand. Frequent Transit Network improvements.			
2026/27	September	40,000	16	1,201,281	7,980,970	4,544,087
		Description	Address passenger comfort and service reliability challenges. Introduce the McKenzie RapidBus Line. Investments in Sooke and other West Shore routes. Frequent Transit Network improvements.			
2027/28	September	50,000	20	1,501,602	10,274,530	5,880,619
		Description	Address passenger comfort and service reliability challenges. Extension of the 95 RapidBus to Belmont Market. Optimization and investment in Quadra Street transit service. Frequent Transit Network improvements. Local transit service investments.			

PROPOSED CUSTOM EXPANSION INITIATIVES						
AOA Period	In Service	Annual Hours	Vehicle Requirements	Estimated Annual Revenue	Estimated Annual Total Costs	Estimated Annual Net Municipal Share
2025/26	January	7,500	10	4,837	1,042,399	476,205
		Description	Increase peak handyDART service to address unmet trips.			
2025/26	April	0	0	50,000	500,000	135,000
		Description	Increase taxi supplement budget by \$500K to reflect actual usage until sufficient vehicle requirements are met			
2026/27	January	10,000	6	6,514	1,507,081	611,179
		Description	Increase handyDART service to address unmet trips.			
2026/27	April	0	0	37,500	400,000	110,500
		Description	Increase taxi supplement budget by \$400K to reflect actual usage until sufficient vehicle requirements are met			
2027/28	January	7,500	4	4,886	1,133,926	456,718
		Description	Increase handyDART service to address unmet trips.			
2027/28	April	0	0	37,500	400,000	110,500
		Description	Increase taxi supplement budget by \$400K to reflect actual usage until sufficient vehicle requirements are met			

BC Transit is actively working towards the goal of achieving a 100 per cent zero-emission fleet by 2040, with plans to deploy the first ten battery electric buses in the Victoria Regional Transit System in 2025 and a procurement process underway for the first battery electric double decker buses for the region. Electrification transition planning is also underway to identify the opportunities and constraints associated with a rollout across the province. A change to the provincial fleet of this magnitude is having significant impacts on business, particularly the three-year expansion planning process.

BC Transit is facing a higher probability that demand for expansion vehicles will exceed the availability in select fleet categories. More advanced lead times are required for procurement and delivery of buses, and bus orders must be strategically timed to align with our deployment plans. While every effort is being made to align bus orders with demand, some expansion initiatives may be impacted by the limited availability of certain vehicle types. Despite these challenges, BC Transit will continue to work with our local government partners to identify and develop expansion priorities, and to align our expansion initiatives with our overall fleet procurement plans.

Transit infrastructure is a critical component of the transit system, as infrastructure supports transit service levels and enhances the customer experience. When investments are made in new or improved transit services, corresponding investments in transit infrastructure are often required, such as customer facilities, expanded Transit Operations and Maintenance (O&M) facilities, and transit priority measures. The existing facilities are nearing their capacity to accommodate additional increases in transit service. A Facility Master Plan was developed to provide a strategic roadmap for future transit facility investment options that support a transition to battery electric buses and expansion of the transit fleet. Capital projects are being advanced at both the Victoria and Langford Transit Centres that support near-term maintenance and operational service improvements to support bus expansion and the implementation of battery electric buses. The ability to accommodate additional service expansion is subject to the timing of completion of capital infrastructure. The facility investment strategy includes the new handyDART facility in View Royal, which is anticipated to be complete in 2025, and will support additional handyDART service.

Expansion Initiatives Agreement

Confirmation of expansion plans for 2025/26-2027/28 is required at this time to:

- Ensure expansion initiatives submitted by BC Transit as part of the provincial service planning process are aligned with the expectations of the Commission
- Attain a commitment from the Commission necessary for BC Transit to proceed with the procurement and management of resources necessary to implement any proposed expansion (bus purchases to support service expansion)
- Allow staff to develop the Three-Year Service and Financial Strategy for inclusion in the Commission's annual budget presented in November.
- Allow staff to develop the Annual Service Plan, which includes the details of planned service changes (including the use of expansion resources) over the 2025/26 Fiscal period¹.

RECOMMENDATION

It is recommended that the Commission

- A) **APPROVE** BC Transit to include up to 30,000 hours for conventional transit, up to 7,500 hours for custom transit and a \$500,000 increase (\$135,000 VRTC Share) to the Taxi Supplement budget (subject to eligibility for expansion funding) as part of the funding request to the Ministry of Transportation and Infrastructure for service expansion in the 2025/26 fiscal year.
- B) **APPROVE** the commitment to increase the VRTS conventional bus fleet by up to twelve buses (six heavy-duty and six high-capacity) starting in January 2026 and increase the VRTS custom bus fleet by up to ten (light-duty) buses starting in January 2026.

¹ The Annual Service Plan for the following Fiscal period is endorsed by the VRTC in February.

Prepared by: Chelsea Mossey
Position: Senior Manager, Government Relations

Date prepared: August 25, 2024

Approved by: Christy Harrold
Position: VP, Strategy & Public Affairs

Date reviewed: August 28, 2024