

Victoria Regional Transit Commission

Chair and Members

September 12, 2023

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SUBJECT: SERVICE EXPANSION REQUEST

PURPOSE

This report requests **APPROVAL** from the Victoria Regional Transit Commission (the “Commission”) to confirm expansion plans for the 2024/25 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

Service expansion priorities are collected through transit planning initiatives (e.g. the Transit Future Plan and Local Area Transit Plans) and feedback from local partners and the public. These activities have generated over 150,000 hours of transit service improvements. It is clear that local government engagement sessions in the Capital Region show widespread support and reinforce the need for expanded transit service. Proposed service improvements are ranked using a range of criteria including population served, potential ridership and impact on service reliability.

BC Transit is actively working towards the goal of achieving a 100% zero emission fleet by 2040, with plans to deploy the first ten battery electric buses in the Victoria Regional Transit System, as well as plans to begin purchasing only electric buses in all fleet classification by 2028. Electrification transition planning is also underway to identify the opportunities and constraints associated with a rollout across the province. A change of this magnitude to the provincial fleet will have a significant impact on business, and in particular, the 3-year expansion planning process.

One of the key challenges that BC Transit will face in the coming years will be a higher probability that demand for expansion vehicles will exceed the availability in select fleet categories. More advanced lead times will be required for procurement and delivery of buses, and bus orders will need to be strategically timed in order to align with our deployment plans. While every effort will be 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.

Through the VRTC Strategic Planning session in March, the Commission was presented with limitations on service expansions in the coming years stemming from operations and maintenance facility constraints; however, given the critical importance of expansion in the region, an assessment of active and future retrofits of existing facilities determined they would provide enough capacity to support some on-going service expansion and the corresponding fleet growth, until the new Saanich Transit Centre is complete. The service expansions outlined below represent the maximum expansion trajectory staff feel is feasible based on vehicle availability, operations and maintenance facility capacity and projected labour levels.

Based on the 2022 Victoria Regional Transit System 10-Year Vision, BC Transit is recommending that funding for expansion resources be pursued for both conventional and custom service in Years 1 and 2 (2024/25 and 2025/26) as well as for conventional transit for Year 3 (2026/27). This investment trajectory will allow BC Transit to meet growing ridership demand and build towards the Victoria Regional Transit System’s transit mode share target.

Key strategic service investments prioritized between 2024/25 and 2026/27 include the following:

- RapidBus and Frequent Transit Network service improvements
- Development of the crosstown network on the Hillside/Gorge and Admirals/McKenzie corridors
- Simplifying and improving transit service on the Quadra corridor
- Improvements to YYJ Airport and Peninsula service

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
2024/25	January	20,000	8	535,575	3,329,490	1,841,477
		Description	Annual service expansion.*			
2025/26	September	30,000	12	835,182	5,138,177	2,828,710
		Description	Annual service expansion.*			
2026/27	September	40,000	16	1,113,576	7,185,445	4,037,355
		Description	Annual service expansion.*			

*Details on expansion priorities will be confirmed through the Annual Service Plan process

PROPOSED CUSTOM EXPANSION INITIATIVES						
AOA Period	In Service	Annual Hours	Vehicle Requirements	Estimated Annual Revenue	Estimated Annual Total Costs	Estimated Annual Net Municipal Share
2024/25	September	0	0	15,000	150,000	40,500
		Description	\$150,000 for additional taxi supplement service to address growing demand.			
2025/26	April	0	10	0	137,285	137,285
		Description	Additional handyDART vehicles to support service delivery at peak times/address spare ratio issue.			
2025/26	April	0	0	30,000	300,000	81,000
		Description	\$300,000 for taxi supplement.			

**Taxi Supplement is the program through which custom transit dispatch can dispatch a taxi instead of a dedicated handyDART vehicle, when a handyDART vehicle is not available.

Expansion Initiatives Agreement

Confirmation of expansion plans for 2024/25-2026/27 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 2024/25 Fiscal period¹.

RECOMMENDATION

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

It is recommended that the Commission

- A) **APPROVE** BC Transit to include 20,000 hours for conventional transit, and a \$150,000 increase to the Taxi Supplement budget, as part of the funding request to the Ministry of Transportation and Infrastructure for service expansion in the 2024/25 fiscal year.
- B) **APPROVE** the commitment to increase the VRTS bus fleet by up to eight heavy-duty buses starting in January 2025.

Respectfully,

Chelsea Mossey
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