

REGIONAL DISTRICT OF NANAIMO

TRANSIT SELECT COMMITTEE

THURSDAY, APRIL 18, 2013

12:00 PM

(RDN Committee Room)

A G E N D A

PAGES

CALL TO ORDER

DELEGATIONS

MINUTES

3-28 Minutes of the regular Transit Select Committee meeting held January 17, 2013.

BUSINESS ARISING FROM THE MINUTES

COMMUNICATIONS/CORRESPONDENCE

29 **Gary MacIsaac, Chair, Management Committee, Gas Tax Program Services**, re Gas Tax General Strategic Priorities Fund and Innovations Fund Applications.

30 **Diane Brennan, Chair, RDN Transit Select Committee**, re invitation to Kirsten Brooker, Chairperson Elect, VIU Students' Union, to meet and discuss any concerns regarding transit.

UNFINISHED BUSINESS

REPORTS

BC Transit Updates. (verbal)

31-48 Annual Operating Agreement Amendment between RDN and BC Transit for 2012-2013.

49-65 Annual Operating Agreement between RDN and BC Transit for 2013-2014.

66-70 Cruise Ship Shuttle Service – 2013.

ADDENDUM

BUSINESS ARISING FROM DELEGATIONS OR COMMUNICATIONS

NEW BUSINESS

ADJOURNMENT

Distribution: D. Brennan (Chairperson), J. Stanhope, B. Bestwick, T. Greves, G. Anderson, A. McPherson, D. Willie, M. Lefebvre, G. Holme, M. Young, B. Veenhof, B. Dempsey, T. Graff, D. Holmes, F. Manson, M. Brown, P. Thorkeisson, D. Trudeau, D. Pearce, J. Pope, M. Moore (BC Transit)

For information only: H. Houle, J. Fell, J. Ruttan, D. Johnstone, J. Kipp

DISTRICT OF NANAIMO

**MINUTES OF THE TRANSIT SELECT COMMITTEE
MEETING HELD ON THURSDAY, JANUARY 17, 2013 AT 12:00 NOON
IN THE COMMITTEE ROOM**

Present:

Director D. Brennan	Chairperson
Director A. McPherson	Electoral Area 'A'
Director M. Young	Electoral Area 'C'
Director G. Holme	Electoral Area 'E'
Director J. Stanhope	Electoral Area 'G'
Director B. Veenhof	Electoral Area 'H'
Director M. Lefebvre	City of Parksville
Director D. Willie	Town of Qualicum Beach
Director B. Dempsey	District of Lantzville
Director B. Bestwick	City of Nanaimo
Director T. Greves	City of Nanaimo
Director G. Anderson	City of Nanaimo

Also in Attendance:

D. Trudeau	Gen. Mgr, Transportation & Solid Waste Services, RDN
D. Pearce	Manager, Transit Operations, RDN
J. Pope	Manager, Fleet & Custom Operations, RDN
M. Moore	Regional Transit Manager, BC Transit
M. Davis	Chief Operating Officer, BC Transit
P. Rantucci	Director Regional Transit Systems, BC Transit
J. Wadsworth	Senior Transit Planner, BC Transit
F. McFarlane	Recording Secretary, RDN

CALL TO ORDER

The meeting was called to order at 12:00 pm by the Chair.

Director Brennan introduced the representatives from BC Transit to the meeting.

MINUTES

MOVED Director Holme, SECONDED Director Lefebvre that the minutes of the regular Transit Select Committee meeting held October 18, 2012 be adopted. CARRIED

CORRESPONDENCE

Correspondence from Peter Rantucci, BC Transit, re Cowichan Valley Regional Future Transit Plan.

D. Trudeau noted that staff have met with the Ladysmith Town Council regarding an inter-regional transit link between Ladysmith and Nanaimo. This is a key expansion issue and future planning will focus on at this connection.

MOVED Director Stanhope, SECONDED Director Veenhof, that the correspondence be received.

CARRIED

[12:05pm Director Anderson joined the meeting.]

REPORTS

BC Transit Updates.

Myrna Moore, Senior Regional Transit Manager, BC Transit, introduced James Wadsworth, Senior Transit Planner. Mr. Wadsworth provided a review of the RDN Transit Future Plan (PowerPoint presentation attached). He noted the events held between October 14-20, 2012 were well attended. The comments received reflected increased frequency of service, improved customer information, inter-regional services, rapid bus services, etc. A Stakeholders Advisory Group meeting was also held in November 2012. A second such meeting is scheduled for winter 2013 with a Phase II Community Engagement and Open House scheduled for the summer/fall of this year.

[12:10pm Director Bestwick joined the meeting.]

Director Lefebvre mentioned the need for smaller buses in the area. Director Greves asked about the correlation between service hour expansions and ridership. Mr. Wadsworth noted it takes a good transit plan, as well as a strong land use plan, to achieve the best outcome.

Director McPherson asked for any statistics available for Electoral 'A' attendance at the Open House and Mr. Wadsworth said he will make these available to D. Pearce. D. Pearce advised that prior to the next Stakeholders Advisory Group meeting and Open House all directors will be contacted to determine whether there is anyone within their electoral areas who is interested in attending. Director Lefebvre suggested that the next meeting be scheduled outside the City of Nanaimo.

MOVED Director Stanhope, SECONDED Director Lefebvre that the verbal report from BC Transit be received.

CARRIED

RDN Transit Future Plan – Progress Update.

D. Trudeau noted this report is an update from RDN staff on the RDN Transit Future Plan and contains information related to that provided by Mr. Wadsworth.

MOVED Director Stanhope, SECONDED Director Veenhof that this progress update for the *RDN Transit Future Plan* be received for information.

CARRIED

Greyhound Licensing Structure.

MOVED Director Lefebvre, SECONDED Director Veenhof, that the Board direct staff to send a letter to the BC Passenger Transportation Board about the RDN's concerns of reduced transit service connecting communities of Vancouver Island. CARRIED

Custom (handyDART) Service Update.

MOVED Director Veenhof, SECONDED Director Lefebvre, that the Board receive the handyDART service update for information. CARRIED

ADJOURNMENT

MOVED Director Holme, SECONDED Director Stanhope, that pursuant to Section 90(1) (g) of the *Community Charter* the Board proceed to an In Camera Committee meeting to consider items related to legal issues. CARRIED

NEXT MEETING

The next meeting of the Transit Select Committee is set tentatively for Thursday, February 21, 2013, in the RDN Committee Room.

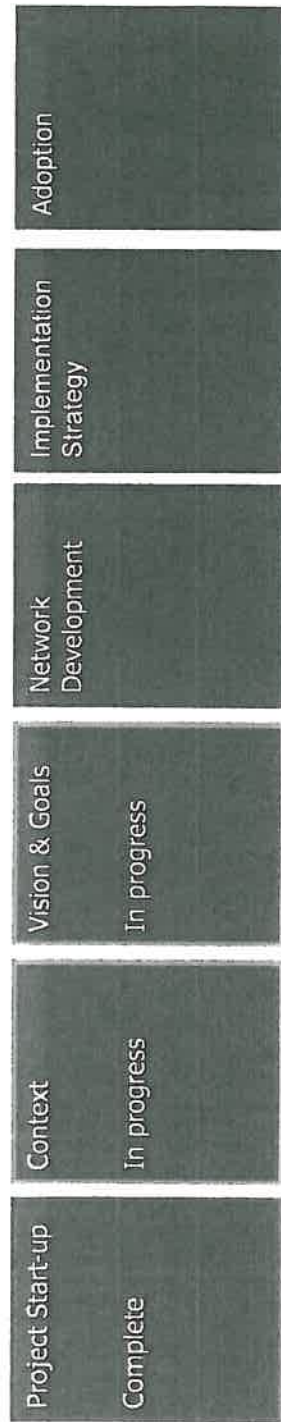
CHAIRPERSON



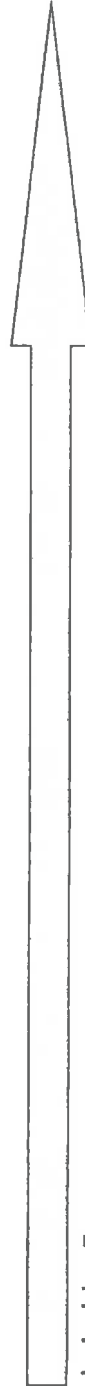
Regional District of Nanaimo Transit Future Plan – Plan Update

January 2013

RDN Transit Future Plan Process



Project Timeline Fall 2012 Winter 2013 Summer 2013 Fall 2013



Stakeholder Engagement



Public Consultation Events (2012/13)



Project Update

- Transit Future Bus Consultation Events
- Transit Future Stakeholders Meeting
- Draft Vision & Goals
- Transit Mode Share Target



Transit Future Bus - Consultation

- Transit Future Bus events – October 14th- 20th
 - The Nanaimo Pumpkin Festival at Beban Park
 - Magnolia Court, Bowser
 - 49th Paralell Grocery Store, Cedar
 - Lantzville, Town Hall
 - Thrifty Foods, Parksville
 - Qualicum Foods, Qualicum
 - Vancouver Island University, Nanaimo
 - Port Place Mall, Downtown Nanaimo
 - Southgate Plaza, Nanaimo
 - Woodgrove Mall, Nanaimo



Transit Future Bus - Consultation

Visitors were able to provide feedback directly to BC Transit and RDN Transportation Services staff on-board or via an on-board survey and comment board.

- In total 1,390 visitors were welcomed on-board the bus
- Comment Board - 462 post-it comments
- Print Surveys – 112
- Web Surveys – 119



Transit Future Feedback Highlights

- Respondents believe transit would play an increasingly important role in the community
- More frequent service
- Improved connections
- Increased service span
- Inter-regional services
- Express/Rapid Bus service
- More direct routes
- Service to the Airport, Duke Point Ferries and rural areas such as Yellow Point, Gabriola
- Smaller vehicles
- Improved customer information
- Improved transit stop amenities



Stakeholder's Advisory Meeting

The meeting was held on November 14th at Coast Bastion Inn with 25 attendees. The groups invited to participate consisted of major institutions, community groups, business groups, residential associations, local government staff and Ministry of Transportation and Infrastructure staff.

- Discussion on planning process and reviewed context
- Group Discussions held to help formulate background material to develop a Plan Vision & Goals:
 - What are the existing system strengths and weaknesses?
 - Why is transit important to your community?
 - In the future what would the ideal transit system look like?
 - What are the key elements of the Regional Growth Strategy, Official Community Plans and Transit Business Plan that the Transit Future Plan should build on?
- Discuss Transit Mode Share Targets

Vision and Goals



Regional Growth Strategy Goals

4.1 Goals

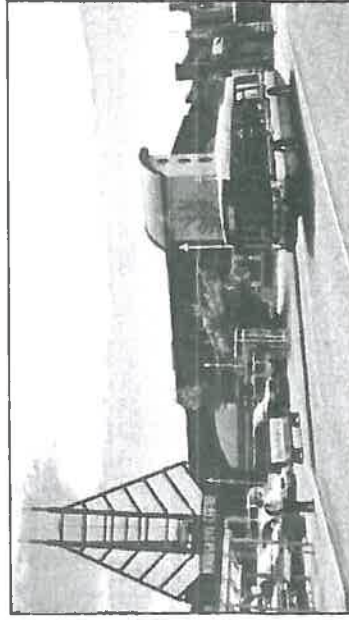
1. **Prepare for Climate Change and Reduce Energy Consumption** – Reduce GHG emissions and energy consumption and promote adaptive measures to prepare for climate change impacts.
2. **Protect the Environment** – Protect and enhance the environment and avoid ecological damage related to human activity.
3. **Coordinate Land Use and Mobility** – Ensure land use patterns and mobility networks are mutually supportive and work together to reduce automobile dependency and provide for efficient goods movement.
4. **Concentrate Housing and Jobs in Rural Villages and Urban Growth Centres** – Establish distinctive activity centres and corridors within growth containment boundaries that provide ready access to places to live, work, play and learn.
5. **Enhance Rural Integrity** – Protect and strengthen the region's rural economy and lifestyle.
6. **Facilitate the Provision of Affordable Housing** – Support and facilitate the provision of appropriate, adequate, attainable, affordable and adaptable housing.
7. **Enhance Economic Resiliency** – Support strategic economic development and link commercial and industrial strategies to the land use and rural and environmental protection priorities of the region.
8. **Enhance Food Security** – Protect and enhance the capacity of the region to produce and process food.
9. **Celebrate Pride of Place** – Celebrate the unique natural beauty, culture, history, and arts of the region.
10. **Provide Services Efficiently** – Provide efficient cost-effective services and infrastructure.
11. **Enhance Cooperation Among Jurisdictions** – Facilitate an understanding of and commitment to the goals of growth management among all levels of government, the public, and key private and voluntary sector partners.

Draft Transit Future Vision Statement

“The Regional District of Nanaimo Transit System supports the region’s high quality of urban and rural life by connecting the region’s rural village centres, neighbourhoods, and urban areas with high quality transit services that will encourage more people to choose transit as their preferred choice of travel. Integration with other modes of transportation affords people of all abilities a basic level of mobility throughout the region. Transit service is tailored to the needs of the region’s population to be safe, convenient, cost-effective and environmentally responsible.”

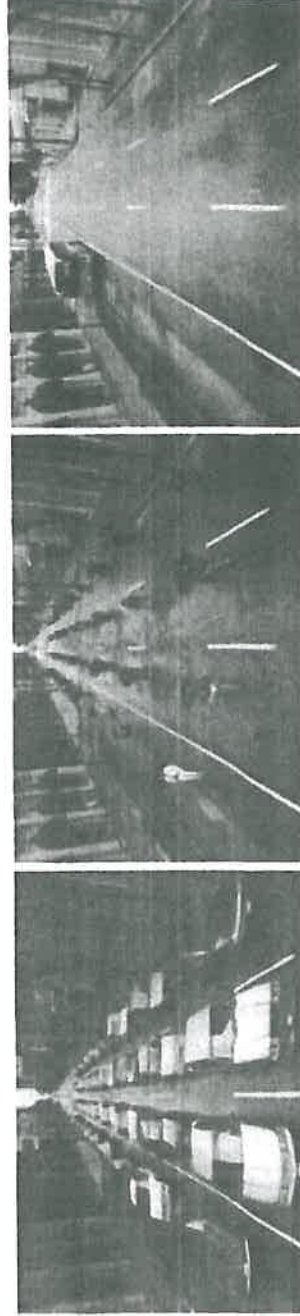
Draft Transit Future Goals

1. The Transit System connects the regions urban and rural communities and links these communities with their downtowns and neighborhoods centres with transit services that offer an attractive alternative to driving, with routes and schedules that are frequent, direct, safe, and convenient
2. The Transit System supports sustainable land use patterns and mobility networks that support reduced automobile dependency and provide for the efficient movement of goods and people



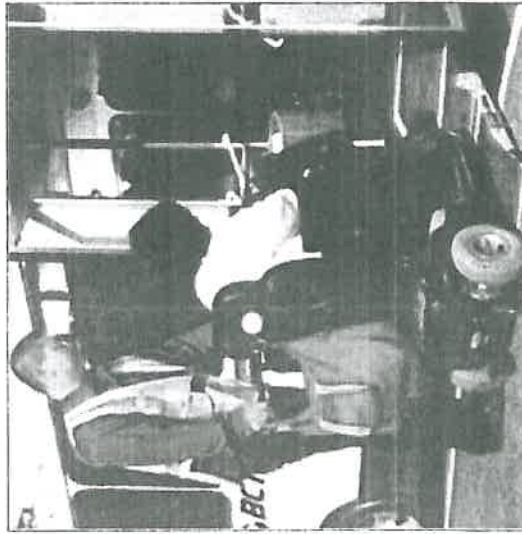
Draft Transit Future Goals

3. The Transit System reduces the regions impact on the environment by providing residents a transportation choice that will lower their GHG emissions and energy consumption



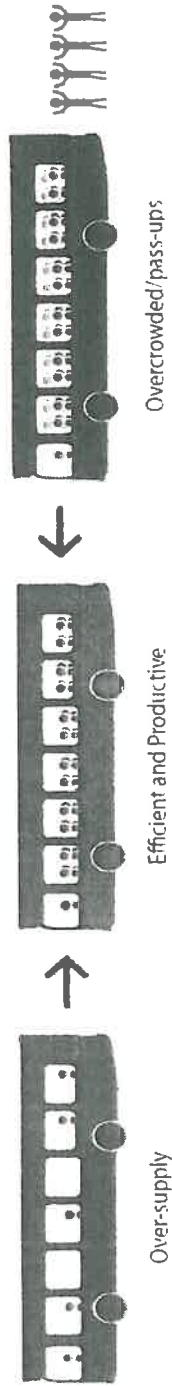
Draft Transit Future Goals

4. The Transit System provides the majority of the region with a basic level of mobility for people of all abilities



Draft Transit Future Goals

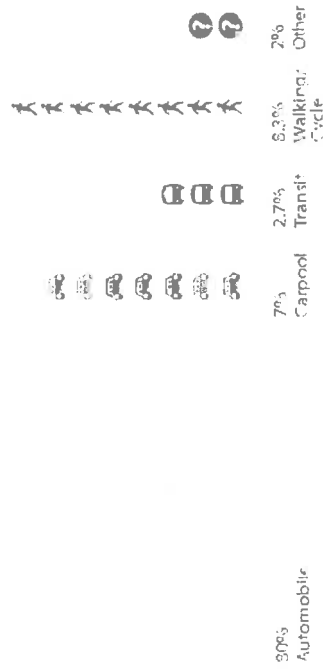
5. The Transit System is operated in a fiscally responsible manner providing efficient cost-effective services



Transit Mode Share

Modal share is a transportation term which describes the percentage of travelers using a particular type of transportation such as walking, cycling, transit or automobile.

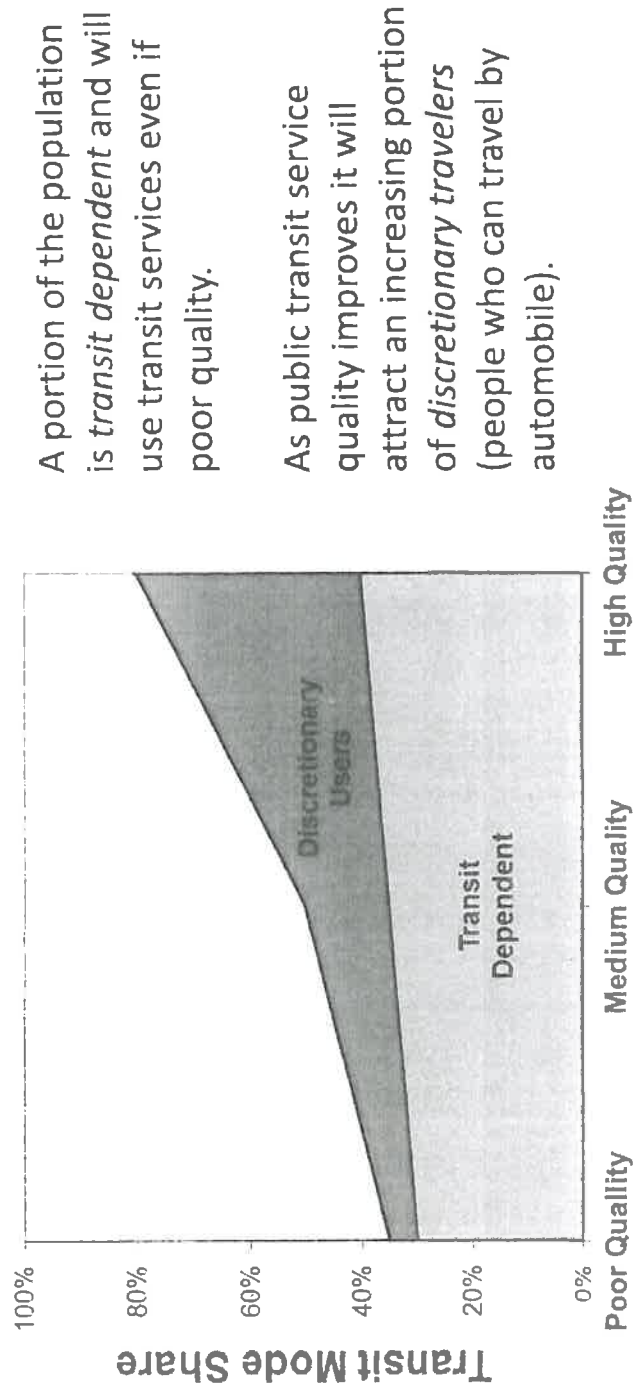
District of Nanaimo
 Travel to Employment Mode Share



Source: 2011 Census



Transit Mode Share



A portion of the population is *transit dependent* and will use transit services even if poor quality.

As public transit service quality improves it will attract an increasing portion of *discretionary travelers* (people who can travel by automobile).

What are other communities' mode share targets for transit?

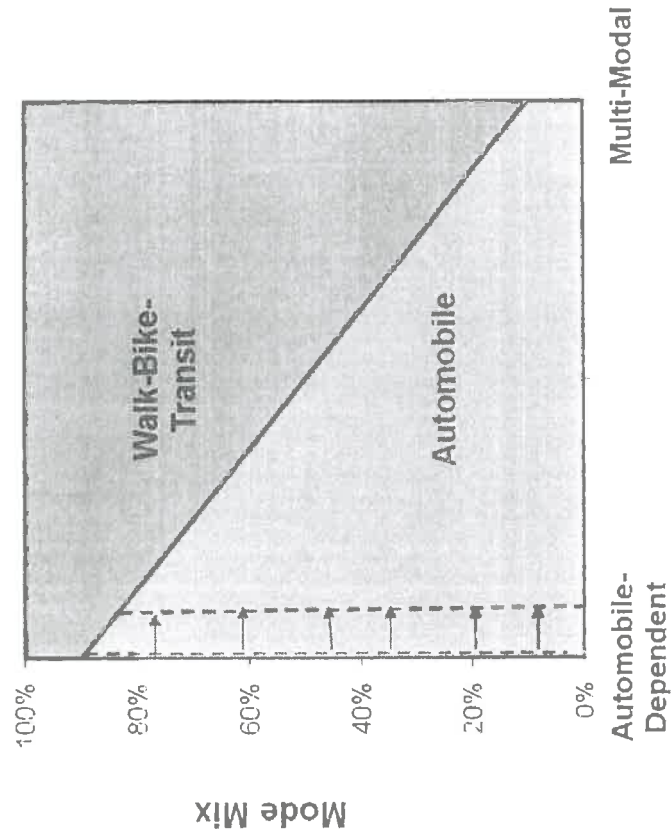
- Abbotsford-Mission 7%
- Campbell River 5%
- Chilliwack 2%
- Kamloops 5.6%
- Kelowna 8%
- Victoria 12%
- Prince George 4%
- **Regional District of Nanaimo ?**



Existing Transit System - Comparables

	Population Served	Hours of Service	Revenue Passengers	Hours/ Capita	Rides/ Hour
Prince George	60,100	66,740	2,200,200	1.11	30.0
Central Fraser Valley	124,700	96,031	2,090,000	0.77	21.8
Kamloops	76,000	101,471	3,290,000	1.34	32.4
Kelowna Regional	125,300	177,206	4,300,000	1.41	24.3
Regional District Nanaimo	98,500	101,404	2,750,000	1.03	24.5
Total - Tier 1	510,500	628,767	17,280,715	1.23	27.5

Modal Shifts



Small shifts from automobile to alternative modes causes large increases in walking, cycling and public transit demand.

For example, a 10-point shift doubles demand for alternative modes.

Mode share/ Ridership Range

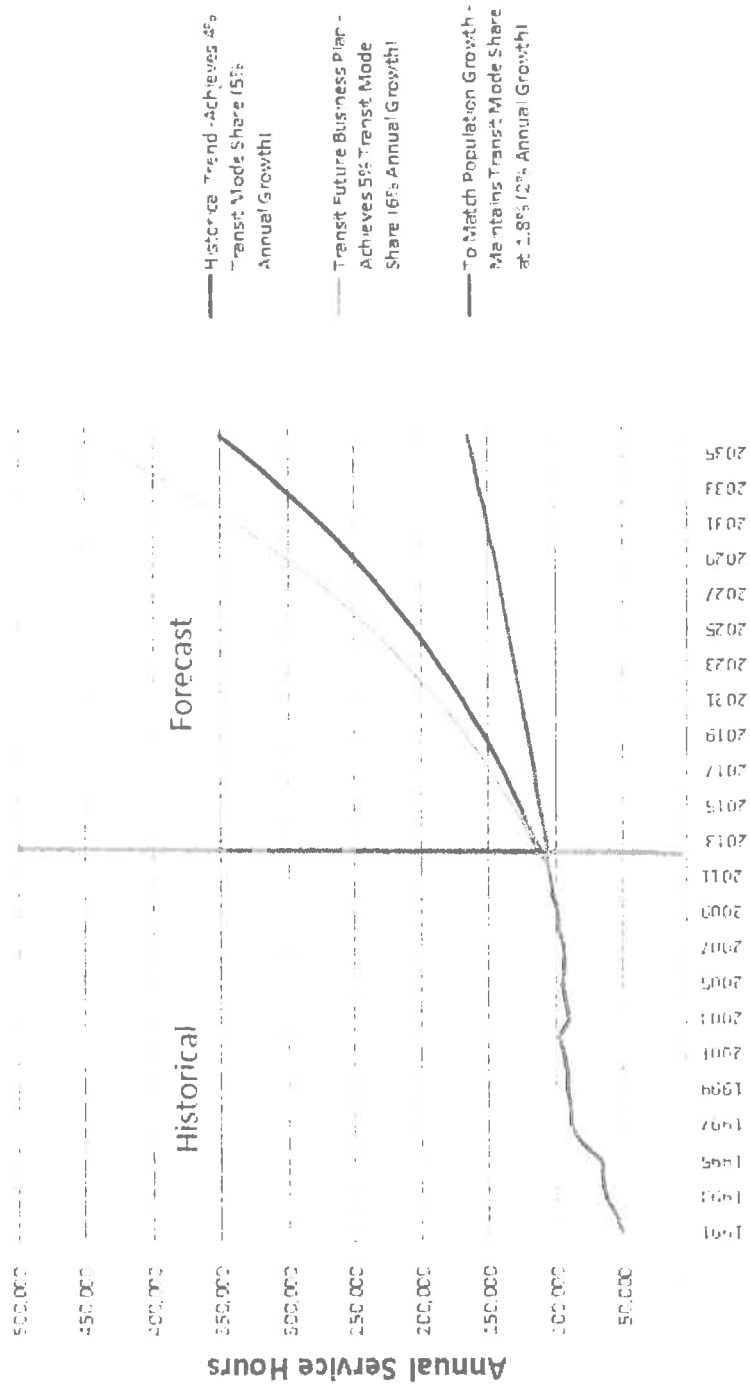
Mode Share	Annual Ridership	Service Hour Range	Vehicles Range
6%	16.2 million	465,000 - 650,000	186 - 260
5%	13.5 million	386,000 - 540,000	155 - 216
4%	10.8 million	309,000 - 432,000	124 - 173
3%	8.1 million	231,000 - 324,000	93 - 130
2%	5.4 million	154,000 - 216,000	62 - 87

- Better than 10-minute peak period service frequencies on major routes
- 15-minute midday, Saturday, and early evening service frequencies on major routes
- 15- to 30-minute service frequencies on Sundays
- Early morning commuter service (beginning 6:00 AM) on major routes
- Late evening service (to midnight) on major routes
- Improved service coverage in less urban parts of the region (such as the Airport, Yellow Point, Bowser and Gabriola)

Comparable Future Transit System Targets

	Population Served	Hours of Service	Revenue Passengers	Hours/ Capita	Rides/ Hour	Target
Kamloops	120,000	204,000	7,125,000	1.70	35	5.6%
Kelowna Regional	264,000	600,000	16,000,000	2.27	27	8%
<i>Victoria Regional</i>	<i>277,000</i>	<i>100,000</i>	<i>14,175,000</i>	<i>1.55</i>	<i>35</i>	<i>5%</i>
RDN Future?	231,184	450,000	13,500,000	1.95	30	5%

RDN Transit System Growth Scenarios of Annual Service Hours



Moving Forward Next Steps

1. Stakeholder Advisory Committee Meeting 2 – Winter 2013
 - Review draft vision & goals
 - Review draft transit network
 - Identify implementation priorities
2. Phase Two Community Engagement and Open House – Summer/Fall 2013
 - Public input on the draft transit network and implementation priorities



Gas Tax Program Services

...delivering the federal gas tax agreement funding in British Columbia

CAO	<input checked="" type="checkbox"/>	MTO	
GMT&SWS	<input checked="" type="checkbox"/>	MSW	
		SUPT-FCO	
		SUPT-TO	
JAN 31 2013			
TSC	<input checked="" type="checkbox"/>		

January 26, 2013

Paul Thorkelsson
 Chief Administrative Officer
 Regional District of Nanaimo
 6300 Hammond Bay Road
 Nanaimo, BC V9T 6N2

RDN CAO'S OFFICE			
CAO	<input checked="" type="checkbox"/>	GM R&P	
GMS&CD		GM T&SW	<input checked="" type="checkbox"/>
GM R&CU	<input checked="" type="checkbox"/>	DF	<input checked="" type="checkbox"/>
JAN 29 2013			
DCS		BOARD	<input checked="" type="checkbox"/>
CHAIR		Info.	

UNION OF
 BRITISH
 COLUMBIA
 MUNICIPALITIES

Administration provided
 By UBCM

Funding provided by:
 Government of Canada



In partnership with:
 The Province of BC



Gas Tax Program Services

Local Government House
 525 Government St
 Victoria BC V8V 0A8

Phone: 250 356-5134
 Fax: 250 356-5119

Website:

www.ubcm.ca
 under
 Funding Programs

Gas Tax Fund, Gas Tax
 Agreement

Dear Mr. Thorkelsson:

Re: GAS TAX GENERAL STRATEGIC PRIORITIES FUND AND INNOVATIONS FUND APPLICATIONS

Thank you for submitting your 2012 General Strategic Priorities Fund (GSPF)/ Innovations Fund (IF) application for funding under the Gas Tax Program. We have now completed approvals and unfortunately your applications for the following projects were not approved for funding:

- Purchase ARBOC buses; and
- Southern Community Wastewater outfall replacement and upgrade

In total, 53 projects have been approved totaling over \$53 million in GSPF and IF funding for capital and capacity building projects. These approvals, along with the approvals made under the 2011 intake, fully commit the GSPF and IF allocation for the 2010-2014 Gas Tax extension funding. Consequently, there is no further funding available under these programs.

The 2012 intake was oversubscribed by a considerable margin, with over 200 applications received totaling over \$440 million in grant funding requested, outweighing available funds by almost 8:1. This did not allow for all worthy applications to be funded.

A list of successful projects will be available on our website at (<http://www.ubcm.ca/EN/main/funding/gas-tax-fund.html>) after all of the media events and announcements have been made.

We wish to thank you for taking the time to develop and forward your application.

Sincerely,

Gary MacIsaac, Chair
 Management Committee



REGIONAL
DISTRICT
OF NANAIMO

April 12, 2013

Kirsten Brooker, Chairperson Elect
Vancouver Island University
Students' Union
Building 193 – 900 Fifth Street
Nanaimo, BC V9R 5S5

Dear Kirsten Brooker:

I would like to congratulate you on your successful campaign for Chairperson of the Vancouver Island University Students' Union.

I would also like to invite you to meet and discuss any concerns or issues you have regarding transit with the Regional District of Nanaimo (RDN) Transit Select Committee. The RDN and BC Transit have worked many years with the Students' Union and the administration of Vancouver Island University in an attempt to find ways to improve transit for the students. We would like to continue that process with you as we expand and improve our transit system.

I think it is important that the Transit Select Committee (TSC) has an opportunity to hear from the students how the system can be improved. This will be an important first step for the TSC to hear any comments and recommendations on transit matters from one of our most important user groups.

The next scheduled TSC meeting is on May 16, 2013 and I am hoping you can attend as a delegation so the Committee members can be better informed on any transit issues, concerns or recommendations you may have. If you are interested please contact Dennis Trudeau, General Manager of Transportation and Solid Waste Services, at (250) 390-6515. He will provide you with any information you may need to attend the meeting.

Sincerely,

A handwritten signature in black ink, appearing to read "Diane Brennan".

Diane Brennan
Chair of the Transit Select Committee
Regional District of Nanaimo

cc: Transit Select Committee
Myrna Moore, BC Transit
Ralph Nilson, VIU President and Vice-Chancellor
P. Thorkelsson, CAO, RDN
Jacquie Hill, Manager, Administrative Services, RDN
Steven Beasley, Executive Director, VIU Students' Union

6300 Hammond Bay Rd.
Nanaimo, B.C.
V9T 6N2

Ph: (250)390-4111
Toll Free: 1-877-607-4111
Fax: (250)390-4163

RDN Website: www.rdn.bc.ca

TO: Dennis Trudeau
General Manager, Transportation & Solid Waste Services

DATE: March 14, 2013

FROM: Daniel Pearce
Manager, Transit Operations

FILE: 2240-20-TROA

SUBJECT: 2012/2013 Conventional Transit Annual Operating Agreement Amendment #1
- Regional District of Nanaimo / BC Transit

PURPOSE

To bring forward the 2012/2013 Conventional and Custom Annual Operating Agreement (AOA) Amendment #1 for the Regional District of Nanaimo Transit System, with BC Transit, for consideration and approval.

BACKGROUND

The Annual Operating Agreement Amendment #1 (see *Appendix 1*) between the Regional District of Nanaimo (RDN) and BC Transit is an amendment to the original 2012/2013 AOA and provides the cost sharing service arrangements for Conventional and Custom Transit services in Districts 68 and 69 for the period of March 3, 2012 to March 31, 2013. The AOA Amendment #1 reflects an additional 368 Conventional hours and 269 Custom hours of annual service enhancement for the remainder of 2012/2013 (5,000 Conventional hours and 3,750 Custom hours on an annualized basis that were implemented on March 3, 2012).

Highlights of the Conventional service enhancement include:

- #25 BC Ferries - weekday service from Departure Bay ferry terminal and the Country Club Centre transit exchange to the Prideaux Street transit exchange;
- #90 Intercity Connector - 15 additional weekday trips;
- #88 Parksville - 6 additional trips, Monday to Saturday;
- #15 VIU Connector - 6 additional weekday trips and 10 trips operating the entire length of Jingle Pot Road;
- #4 VI University - increased service (3 additional weekday trips); and,
- #7 Cinnabar/Cedar - one additional trip daily.

Highlights of the Custom service enhancement include:

- One additional handyDART vehicle in Parksville and Qualicum Beach four days a week. The remaining hours will be allocated to general coverage in District 68, eliminating the subscription wait list.

The AOA is an agreement governing items such as service specifications, payment schedules, fares and days/hours of service that will be provided for cost sharing purposes.

FINANCIAL ANALYSIS

Conventional Transit:

The main changes in the AOA that should be noted include:

Conventional	2012/2013 AOA	2012/2013 Amendment #1 AOA	\$ Change	% Change
Fixed Costs (total cost, overhead, admin. wages)	\$895,700	\$895,700	\$0	0%
Variable Hourly (total cost, drivers' wages and benefits)	\$5,231,000	\$5,249,500	\$18,500	0.4%
Variable Distance (total cost, fuel and tires)	\$1,981,400	\$1,989,700	\$8,300	0.4%
Fleet Maintenance (total cost, running, major and accident repairs)	\$1,073,900	\$1,073,900	\$0	0%
Fleet Insurance (total cost)	\$58,900	\$59,100	\$200	0.3%
Lease Fees (local share, buses and equipment)	\$1,110,500	\$1,115,500	\$5,000	0.5%
BC Transit Management Services (local share)	\$629,300	\$629,300	\$0	0%

The costs above reflect a new schedule that was expanded by an additional 368 hours of annual service for the remainder of 2012/2013. The changes noted above are the line items that make up the majority of the overall costs outlined in the AOA. Transit costs are cost shared with BC Transit at a current rate of 46.67%.

The main increases to the Conventional system in the Amendment #1 2012/2013 AOA are for increased variable hourly costs that include drivers' wages and variable distance costs, which include fuel and tires. The expansion included three additional conventional vehicles being added to the fleet.

Custom Transit:

The main changes in the AOA that should be noted include:

CUSTOM	2012/2013 AOA	2012/2013 Amendment #1 AOA	\$ Change	% Change
Fixed Costs (total cost, overhead, admin. wages)	\$199,300	\$199,300	\$0	0%
Variable Hourly (total cost, drivers' wages and benefits)	\$856,500	\$866,500	\$10,000	1.2%
Variable Distance (fuel and tires)	\$152,700	\$154,500	\$1,800	1.2%
Fleet Maintenance (total cost, running, major and accident repairs)	\$129,800	\$129,800	\$0	0%
Lease Fees (local share, mainly buses)	\$136,000	\$139,000	\$3,000	2.2%
BC Transit Management Services (local share)	\$109,500	\$109,500	\$0	0%

The costs above reflect a new schedule that was expanded by an additional 269 hours of annual service for the remainder of 2012/2013. The main increases to the Custom Amendment #1 2012/2013 AOA are for variable hourly and distance costs that include drivers' wages and the cost of fuel and tires.

ALTERNATIVES

1. That the Board approve the 2012/2013 Conventional and Custom Annual Operating Agreement Amendment #1 as presented.
2. That the Board not approve the 2012/2013 Conventional and Custom Annual Operating Agreement Amendment #1 and provide further direction to staff.

FINANCIAL IMPLICATIONS

Under Alternative 1, the 2012/2013 Conventional and Custom AOA Amendment #1 budget of \$13,155,700 will be cost shared between the RDN and BC Transit. This represents a \$47,200 increase to the RDN from the 2012/13 original AOA budget.

Under Alternative 2, if the Board does not approve the AOA Amendment #1, it will remove BC Transit's obligation to cost share in the service.

SUSTAINABILITY IMPLICATIONS

The Transportation Services Department is working continuously on improving the viability and efficiency of public transit. The Annual Operating Agreement is a fundamental agreement that allows the Regional District of Nanaimo to enter into a cost sharing arrangement with BC Transit. Residents within the RDN rely on public transit, whether it is for conventional or custom transit. The options provided by public transit enable residents to leave their cars at home while they take the bus to work, to school, to medical appointments or for other equally important reasons.

SUMMARY/CONCLUSION

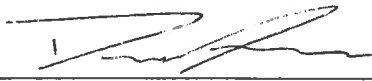
BC Transit has forwarded the Annual Operating Agreement Amendment #1 covering the period March 3, 2013 to March 31, 2013 for the RDN Conventional and Custom Transit Systems. Transportation Services staff and Financial Services staff have reviewed this AOA Amendment #1 in conjunction with the RDN 2013 budget for transit services.

The 2012/2013 Conventional and Custom AOA Amendment #1 indicates a budget of \$13,155,700 that is cost shared between the RDN and BC Transit. Staff have reviewed the AOA costs for Conventional transit and these can be explained by actual increases in service.


Staff recommend that the Board approve the 2012/2013 Conventional and Custom Annual Operating Agreement Amendment #1 with BC Transit.

RECOMMENDATION

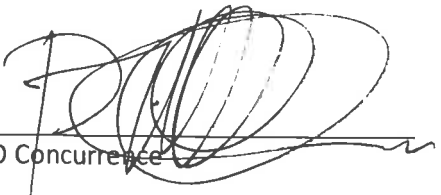
That the 2012/2013 Conventional and Custom Annual Operating Agreement (AOA) Amendment #1 with BC Transit be approved.



Report Writer



General Manager Concurrence



CAO Concurrence

APPENDIX 1

NANAIMO

ANNUAL OPERATING AGREEMENT

Between

THE REGIONAL DISTRICT OF NANAIMO

And

BRITISH COLUMBIA TRANSIT

**APRIL 1, 2012 TO MARCH 31, 2013
(Amendment #1 Effective March 3, 2013)**

INFORMATION CONTAINED IN SCHEDULE "C" – BUDGET AND SCHEDULE "D" – PAYMENT SCHEDULE IS SUBJECT TO FREEDOM OF INFORMATION & PROTECTION OF PRIVACY ACT.

CONSULT WITH BC TRANSIT PRIOR TO RELEASING INFORMATION IN THESE SCHEDULES TO INDIVIDUALS OR COMPANIES OTHER THAN THOSE WHO ARE PARTY TO THIS AGREEMENT.

TABLE OF CONTENTS
ANNUAL OPERATING AGREEMENT

Page

SECTION 1 - DEFINITION OF TERMS.....	2
SECTION 2 - INCORPORATION OF MASTER AGREEMENT.....	2
SECTION 3 - TERM & RENEWAL.....	4
SECTION 4 - SCHEDULES.....	4
SECTION 5 - MISCELLANEOUS PROVISIONS.....	4
SECTION 6 - NOTICES AND COMMUNICATIONS.....	5

SCHEDULES

SCHEDULE "A" - TRANSIT SERVICE AREA.....	7
SCHEDULE "B" - SERVICE SPECIFICATIONS.....	8
SCHEDULE "C" - BUDGET.....	10
SCHEDULE "D" - PAYMENT SCHEDULE.....	12
SCHEDULE "E" - TARIFF-FARES.....	13

ANNUAL OPERATING AGREEMENT

BETWEEN: THE REGIONAL DISTRICT OF NANAIMO
(the "Municipality" and the "Operating Company")

AND: BRITISH COLUMBIA TRANSIT
(the "Authority")

WHEREAS the Municipality and the Authority are authorized to share in the costs of providing a Public Passenger Transportation System pursuant to the British Columbia Transit Act

WHEREAS the Municipality is authorized to operate, manage and maintain a Public Passenger Transportation System within the Nanaimo Regional Transit Service Area.

WHEREAS the parties hereto have entered into a Master Operating Agreement effective which sets out the general rights and responsibilities of the parties hereto

AND WHEREAS the parties hereto wish to enter into an Annual Operating Agreement which sets out, together with the Master Agreement, the specific terms and conditions for the operation of the Public Passenger Transportation System for the upcoming term.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises and of the covenants herein contained, the parties covenant and agree with each other as follows:

SECTION 1 – DEFINITION OF TERMS

- 1.1 Definitions: Unless agreed otherwise in the Annual Operating Agreement, the definitions set out in the Master Agreement shall apply to this Annual Operating Agreement including:
- (a) "Annual Operating Agreement" shall mean this Annual Operating Agreement and any Annual Operating Agreement Amendment negotiated and entered into by the parties subsequent hereto;
 - (b) "Master Agreement" shall mean the Master Joint Operating Agreement, including any amendments made thereto;

SECTION 2 – INCORPORATION OF MASTER AGREEMENT

- 2.1 Incorporation of Master Agreement into Annual Operating Agreement: Upon execution, this Annual Operating Agreement shall be deemed integrated into the Master Agreement and thereafter the Master Agreement and the current Annual Operating Agreement shall be read together as a single integrated document and shall be deemed to be the Annual Operating Agreement for the purposes of the British Columbia Transit Act, as amended from time to time.
- 2.2 Amendments to Master Agreement: The parties agree to amend the Master Agreement as follows:
- (a) To remove Section 13 in its entirety and replace it with the following:

"SECTION 13 - INSURANCE

13.1 Insurance: The Operating Company and the Authority shall purchase and maintain in force throughout the term of this Master Agreement, insurance policies covering the perils specified herein as set out below. As evidence of insurance coverage, the Operating Company shall deposit with the Authority, copies of the insurance policies the Operating Company is required to purchase in accordance with this Master Agreement and the Annual Operating Agreement.

13.2 Minimum Insurance Coverage Requirements: The following insurance coverage shall be purchased and maintained throughout the term of this Master Agreement and the Annual Operating Agreement:

1. Vehicle Insurance:
 - a) The Operating Company shall purchase and maintain insurance on all vehicles used by the Operating Company in the operation of the Public Passenger Transportation System under this Master Agreement as follows:
 - i) Third party liability insurance of Five Million Dollars (\$5,000,000.00) per occurrence purchased from the Insurance Corporation of British Columbia.
 - b) The Authority shall purchase and maintain insurance on all revenue vehicles used by the Operating Company in the operation of the Public Passenger Transportation System under this Master Agreement as follows:
 - i) Third Party Liability insurance in excess of Five Million Dollars (\$5,000,000.00) to a minimum limit of Twenty-Five Million Dollars (\$25,000,000.00).
 - ii) Collision or upset insurance \$5,000.00 deductible.
 - iii) Comprehensive insurance covering hazards such as fire, theft, vandalism, glass breakage, falling trees, wind-storms, etc. \$500.00 deductible.
2. Physical Assets Leased from the Authority : (where applicable)
 - a) The Authority shall purchase and maintain insurance on all Physical Assets leased from the Authority, pursuant to the terms of the individual lease agreements with the Operating Company and respecting said Physical Assets.
 - b) Without limiting the generality of the foregoing, such insurance shall be in the name of the Authority and shall include a waiver of subrogation against the Operating Company. The insurance shall be in accordance with the laws in force and in effect in the Province of British Columbia and Canada.
 - c) The amount of such insurance for the respective categories of Physical Assets shall be not less than as follows:
 - i) Buildings and Structures Including Leasehold Improvements. The Authority shall purchase and maintain insurance on all buildings and structures on a standard all risk form including boiler explosion, flood and earthquake where applicable, in an amount not less than the full replacement value thereof as determined by the Authority.
 - ii) Other Chattels and Equipment. The Operating Company shall purchase and maintain insurance on all chattels and equipment not otherwise insured under this Schedule against loss or damage from all risks, in an amount not less than the full replacement value thereof.
 - d) The Authority may, in its sole discretion, self insure part or all of the insurance requirements hereunder.
3. Physical Assets Owned by the Operating Company or Leased from a Party other than the Authority
 - a) The Operating Company shall purchase and maintain insurance on all Physical Assets owned or leased by them from a party other than the Authority, to the same extent as specified in Section (2), above, except that contrary to Section (2) the Operating Company shall determine the full replacement value thereof.
4. Comprehensive General Liability Insurance:
 - a) The Authority shall take out and maintain comprehensive general liability insurance (CGL) covering the operation of the Public Passenger Transportation System specified in Schedule "B" of the Annual Operating Agreement on an occurrence basis in an amount not less than Twenty-Five Million Dollars (\$25,000,000.00). Such insurance shall include the Operating Company and the Municipality as an additional insured party and further, the policy shall apply to each insured in the same manner and to the same extent as if a separate policy has been issued to each of the insured parties.
 - b) The Authority's CGL does not extend to cover non-transit activities a company may be engaged in. If the Operating Company performs work outside of the terms of this Master Agreement and/or the Annual Operating Agreement, the Operating Company will require separate insurance coverage for that work which provides a waiver of subrogation in favour of BC Transit.

5. Additional Covenants:

- a) The Operating Company covenants that it shall not knowingly permit, suffer, allow or connive at the use or operation of any vehicle in respect of this Master Agreement by any person, or in any way, or for any purpose, contrary to the provisions of this Master Agreement or the provisions of the Insurance (Vehicle) Act or any other applicable legislation and related regulations. The Operating Company shall indemnify and save harmless the Authority from any breach of this covenant.
- b) It is mutually understood and agreed that the responsibilities to acquire and maintain policies of insurance pursuant to this Master Agreement and/or the Annual Operating Agreement shall be restricted and limited to the provisions of this Section 13."

SECTION 3 – TERM AND RENEWAL

- 3.1 Term and Renewal: The term of this agreement shall be from April 1, 2012 to March 31, 2013 except as otherwise provided herein. It is acknowledged by the parties that in the event of termination or non-renewal of the Annual Operating Agreement, the Master Agreement shall likewise be terminated or not renewed, as the case may be.

SECTION 4 – SCHEDULES

- 4.1 Schedules: The schedules attached hereto shall form part of the Annual Operating Agreement and be binding upon the parties hereto as though they were incorporated into the body of this Agreement.
- a) Schedule "A" – Transit Service Area
 - b) Schedule "B" - Service Specifications
 - c) Schedule "C" - Budget
 - d) Schedule "D" – Payment Schedule
 - e) Schedule "E" – Tariff-Fares

SECTION 5 – MISCELLANEOUS PROVISIONS

- 5.1 Amendment: This Annual Operating Agreement and the Schedules attached hereto may be amended only with the prior written consent of all parties.
- 5.2 Assignment: This Annual Operating Agreement shall not be assignable without the prior written consent of the other parties.
- 5.3 Enurement: The Annual Operating Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors.
- 5.4 Pets on Buses: Notwithstanding the provisions of Section 9.7 of the Master Joint Operating Agreement, pets on buses are permitted under guidelines agreed to by the parties to this agreement.
- 5.5 Alternative Funding Arrangements: For the period beginning on April 1, 2012 and ending on March 31, 2013, the Municipality shall contribute 100% of the Municipal Flex Funded amount identified in Schedule C, and the Municipality and the Authority shall share the balance of the remaining costs according to their funding contribution shares as per Section 7 of the British Columbia Transit Regulation, B.C. Reg 30/91.

SECTION 6 – NOTICES AND COMMUNICATION

All notices, claims and communications required or permitted to be given hereunder shall be in writing and shall be sufficiently given if personally delivered to a responsible officer of the party hereto to whom it is addressed or if mailed by prepaid registered mail, to:

Regional District of Nanaimo
c/o Manager of Transportation Services
6300 Hammond Bay Road
Nanaimo, BC V9T 6N2

and to

BC Transit
c/o Chief Operating Officer
520 Gorge Road East
Victoria, BC V8W 2P3

and, if so mailed during regular mail service, shall be deemed to have been received five (5) days following the date of such mailing.

Nanaimo A.O.A. Amendment #1

6

2012/13

**AMENDMENT #1
Nanaimo Conventional & Custom
2012/13 ANNUAL OPERATING AGREEMENT**

This will confirm our agreement to amend, Schedule "B" – Service Specification and Schedule "C" Budget of the Annual Operating Agreement Schedule.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands and seals and where a party is a corporate entity the seal of such party has been affixed hereto in the presence of its duly authorized officer this day of

THE CORPORATE SEAL OF THE
REGIONAL DISTRICT OF NANAIMO has
been hereto affixed in the presence of:

THE COMMON SEAL OF **BRITISH
COLUMBIA TRANSIT**
has been hereto affixed in the presence of:

CHIEF OPERATING OFFICER

CHIEF FINANCIAL OFFICER

SCHEDULE "A" - Transit Service Area Boundaries

The boundaries of the Municipal Transit Service Area shall be defined as follows:

The boundaries of the Nanaimo Regional Transit Service Area shall include the corporate boundaries of the City of Nanaimo, the City of Parksville, the Town of Qualicum Beach and the District of Lantzville and Electoral Areas A, D, E, G and H of the Regional District of Nanaimo.

Nanaimo A.O.A. Amendment #1

8

2012/13

SCHEDULE "B" – Service Specifications

Nanaimo Regional Base Budget Official AOA Amendment # 1 2012/2013

Schedule 'B'

Effective Apr 01, 2012

Scheduled Revenue Service

12/13 Apr to Jun (Apr 01, 2012 to Jun 29, 2012)											
	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Apr 08, 2012	Apr 09, 2012	May 21, 2012	
Hrs/Day	367.23	367.23	367.23	367.23	366.68	258.40	138.15	0.00	138.15	138.15	
Kms/Day	8,619.92	8,619.92	8,619.92	8,619.92	8,570.31	6,135.99	3,635.79	0.00	3,635.79	3,635.79	
12/13 Jun to Sep (Jun 30, 2012 to Sep 01, 2012)											
	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Jul 01, 2012	Jul 02, 2012	Aug 06, 2012	
Hrs/Day	304.00	304.00	304.00	304.00	304.00	258.40	138.15	138.15	138.15	138.15	
Kms/Day	7,304.94	7,304.94	7,304.94	7,304.94	7,304.94	6,135.99	3,635.79	3,635.79	3,635.79	3,635.79	
12/13 Sep to Dec (Sep 02, 2012 to Dec 22, 2012)											
	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Sep 03, 2012	Oct 08, 2012	Nov 11, 2012	Nov 12, 2012
Hrs/Day	367.23	367.23	367.23	367.23	366.68	258.40	138.15	138.15	138.15	138.15	188.15
Kms/Day	8,619.92	8,619.92	8,619.92	8,619.92	8,570.31	6,135.99	3,635.79	3,635.79	3,635.79	3,635.79	3,635.79
12/13 Dec to Jan (Dec 23, 2012 to Jan 06, 2013)											
	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Dec 26, 2012			
Hrs/Day	304.00	304.00	304.00	304.00	304.00	258.40	138.15	138.15			
Kms/Day	7,304.94	7,304.94	7,304.94	7,304.94	7,304.94	6,135.99	3,635.79	3,635.79			
12/13 Jan to Mar (Jan 08, 2013 to Mar 02, 2013)											
	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Feb 18, 2013			
Hrs/Day	367.23	367.23	367.23	367.23	366.68	258.40	138.15	138.15			
Kms/Day	8,619.92	8,619.92	8,619.92	8,619.92	8,570.31	6,135.99	3,635.79	3,635.79			
12/13 Mar to Mar (Mar 03, 2013 to Mar 31, 2013)											
	Mon	Tue	Wed	Thu	Fri	Sat	Sun				
Hrs/Day	375.00	375.00	375.00	375.00	376.00	298.02	198.70				
Kms/Day	9,151.53	9,151.53	9,151.53	9,151.53	9,176.93	6,429.92	3,219.00				

Extra Revenue Service

	Apr, 2012	May, 2012	Jun, 2012	Jul, 2012	Aug, 2012	Sep, 2012	Oct, 2012	Nov, 2012	Dec, 2012	Jan, 2013	Feb, 2013	Mar, 2013
Extra Overload Hours	33.00	33.00	33.00	73.89	28.00	33.00	33.00	33.00	33.00	33.00	33.00	45.00
Extra Overload Kilometres	693.00	693.00	693.00	1,134.24	588.00	693.00	693.00	693.00	693.00	693.00	693.00	945.00

Adjusted Revenue Service

	Apr, 2012	May, 2012	Jun, 2012	Jul, 2012	Aug, 2012	Sep, 2012	Oct, 2012	Nov, 2012	Dec, 2012	Jan, 2013	Feb, 2013	Mar, 2013

2012/2013 Calendar Specification

Period	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Exceptions	Total	Exception Days
Apr 01, 2012 to Apr 30, 2012	4	4	4	4	3	4	4	5	2	30
May 01, 2012 to May 31, 2012	3	5	5	5	4	4	4	4	1	31
Jun 01, 2012 to Jun 29, 2012	4	4	4	4	4	5	4	4	0	29
Jun 30, 2012 to Jun 30, 2012	0	0	0	0	0	0	1	0	0	1
Jul 01, 2012 to Jul 31, 2012	4	5	4	4	4	4	4	4	2	31
Aug 01, 2012 to Aug 31, 2012	3	4	5	5	5	5	4	4	1	31
Sep 01, 2012 to Sep 01, 2012	0	0	0	0	0	0	1	0	0	1
Sep 02, 2012 to Sep 30, 2012	3	4	4	4	4	4	4	4	1	29
Oct 01, 2012 to Oct 31, 2012	4	5	5	4	4	4	4	4	1	31
Nov 01, 2012 to Nov 30, 2012	3	4	4	5	6	4	3	2	2	30
Dec 01, 2012 to Dec 22, 2012	3	3	3	3	3	4	3	0	0	22
Dec 23, 2012 to Dec 31, 2012	2	0	0	1	1	1	2	2	2	9
Jan 01, 2013 to Jan 05, 2013	0	0	1	1	1	1	0	1	0	5
Jan 06, 2013 to Jan 31, 2013	4	4	4	4	4	3	3	4	0	28
Feb 01, 2013 to Feb 28, 2013	3	4	4	4	4	4	4	4	1	28
Mar 01, 2013 to Mar 02, 2013	0	0	0	0	1	1	1	0	0	2
Mar 03, 2013 to Mar 31, 2013	4	4	4	4	3	4	5	1	1	28
Total	44	50	51	52	50	52	51	16	308	15 Exceptions

Monthly Summary

Month	Conventional Transit							
	Scheduled	Revenue Hours Extra	Adjusted	Total	Scheduled	Revenue Kilometers Extra	Adjusted	Total
April, 2012	8,643.12	33.00		8,676.12	208,388.95	693.00		209,081.95
May, 2012	8,580.41	33.00		8,613.41	230,382.71	693.00		231,075.71
June, 2012	9,347.18	33.00		9,380.18	234,393.36	693.00		235,086.36
July, 2012	8,234.60	73.89		8,308.49	199,782.44	1,134.24		200,916.68
August, 2012	8,402.35	28.00		8,430.35	203,431.59	588.00		204,019.59
September, 2012	8,903.27	33.00		8,936.27	214,574.73	693.00		215,267.73
October, 2012	9,580.41	33.00		9,613.41	230,382.71	693.00		231,075.71
November, 2012	9,224.83	33.00		9,257.83	221,893.18	693.00		222,586.18
December, 2012	8,888.80	33.00		8,921.80	209,707.31	693.00		210,400.31
January, 2013	9,282.82	33.00		9,315.82	223,074.48	693.00		223,767.48
February, 2013	8,508.72	33.00		8,541.72	204,802.85	693.00		205,495.85
March, 2013	9,482.96	45.00		9,527.96	230,472.85	945.00		231,417.85
Total	107,889.27	443.89	0.00	108,333.16	2,601,228.68	8,904.24	0.00	2,610,132.92

SCHEDULE "B" – Service Specifications

Nanaimo Custom Base Budget Official AOA Amendment # 1 2012/2013

Schedule 'B'

Effective Apr 01, 2012

Scheduled Revenue Service

12/13 Apr to Feb (Apr 01, 2012 to Feb 28, 2013)									
	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Jul 02, 2012	Nov 12, 2012
Fin/Day	88.00	80.00	82.00	80.00	80.00	32.00	8.00	32.00	32.00
Kms/Day	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

March (Mar 01, 2013 to Mar 31, 2013)									
	Mon	Tue	Wed	Thu	Fri	Sat	Sun		
Fin/Day	82.00	104.00	104.00	102.00	100.00	24.00	8.00		
Kms/Day	0.00	0.00	0.00	0.00	0.00	0.00	0.00		

Flexible Hours

	Apr, 2012	May, 2012	Jun, 2012	Jul, 2012	Aug, 2012	Sep, 2012	Oct, 2012	Nov, 2012	Dec, 2012	Jan, 2013	Feb, 2013	Mar, 2013
	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	83.20

Extra Revenue Service

	Apr, 2012	May, 2012	Jun, 2012	Jul, 2012	Aug, 2012	Sep, 2012	Oct, 2012	Nov, 2012	Dec, 2012	Jan, 2013	Feb, 2013	Mar, 2013

Adjusted Revenue Service

	Apr, 2012	May, 2012	Jun, 2012	Jul, 2012	Aug, 2012	Sep, 2012	Oct, 2012	Nov, 2012	Dec, 2012	Jan, 2013	Feb, 2013	Mar, 2013

2012/2013 Calendar Specification

Period	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Exceptions	Total	Exception Days
Apr 01, 2012 to Apr 30, 2012	4	4	4	4	3	4	5	2	30	Apr 06, 2012 Good Friday 2012 (Fri)
May 01, 2012 to May 31, 2012	3	5	5	5	4	4	4	1	31	Apr 06, 2012 Easter Monday 2012 (Mon)
Jun 01, 2012 to Jun 30, 2012	4	4	4	4	4	5	4	0	30	May 21, 2012 Victoria Day 2012 (Mon)
Jul 01, 2012 to Jul 31, 2012	4	5	4	4	4	4	4	2	31	Jul 01, 2012 Canada Day 2012 (Sun)
Aug 01, 2012 to Aug 31, 2012	3	4	5	5	5	4	4	1	31	Jul 02, 2012 Canada Day Stat 2012 (Mon)
Sep 01, 2012 to Sep 30, 2012	3	4	4	4	4	4	5	1	30	Aug 06, 2012 BC Day 2012 (Mon)
Oct 01, 2012 to Oct 31, 2012	4	5	5	4	4	4	4	1	31	Sep 03, 2012 Labour Day 2012 (Mon)
Nov 01, 2012 to Nov 30, 2012	3	4	4	5	5	4	3	2	30	Oct 08, 2012 Thanksgiving Day 2012 (Mon)
Dec 01, 2012 to Dec 31, 2012	5	3	3	4	4	5	5	2	31	Nov 11, 2012 Remembrance Day 2012 (Sun)
Jan 01, 2013 to Jan 31, 2013	4	4	5	5	4	4	4	1	31	Nov 12, 2012 Remembrance Day Stat 2012 (Mon)
Feb 01, 2013 to Feb 28, 2013	3	4	4	4	4	4	4	1	28	Dec 25, 2012 Christmas Day 2012 (Tue)
Mar 01, 2013 to Mar 31, 2013	4	4	4	4	4	5	5	1	31	Dec 26, 2012 Boxing Day 2012 (Wed)
Total	44	50	51	52	50	52	51	15	363	15 Exceptions

Monthly Summary

Month	Custom Transit								
	Revenue Hours				Revenue Kilometers				
	Scheduled	Extra	Flexible	Adjusted	Total	Scheduled	Extra	Adjusted	Total
April, 2012	1,760.00		40.00		1,800.00	0.00			
May, 2012	1,998.00		40.00		2,038.00	0.00			
June, 2012	1,844.00		40.00		1,884.00	0.00			
July, 2012	1,844.00		40.00		1,884.00	0.00			
August, 2012	1,998.00		40.00		2,038.00	0.00			
September, 2012	1,788.00		40.00		1,828.00	0.00			
October, 2012	2,004.00		40.00		2,044.00	0.00			
November, 2012	1,830.00		40.00		1,870.00	0.00			
December, 2012	1,788.00		40.00		1,828.00	0.00			
January, 2013	2,004.00		40.00		2,044.00	0.00			
February, 2013	1,748.00		40.00		1,788.00	0.00			
March, 2013	2,128.00		83.20		2,181.20	0.00			
Total	23,028.00	0.00	493.20	0.00	23,521.20	0.00	0.00	0.00	0.00

Nanaimo A.O.A. Amendment #1

10

2012/13

Schedule C**Nanaimo Regional Conventional Transit****Official AOA Amendment # 1****2012/2013**

TRANSIT REVENUE	
Farebox Cash	\$1,392,284
Tickets & Passes	\$1,771,998
BC Bus Pass	\$746,031
Advertising	\$49,221
TOTAL REVENUE	\$3,959,535
EXPENDITURES	
Fixed Costs	\$895,658
Variable Hourly Costs - Scheduled Service	\$5,228,004
Variable Hourly Costs - Extra Service	\$21,501
Variable Fuel Costs - Scheduled Service	\$1,914,556
Variable Fuel Costs - Extra Service	\$6,554
Variable Tire Costs - Scheduled Service	\$68,324
Variable Tire Costs - Extra Service	\$234
Fleet Maintenance	\$1,039,867
Accident Repairs	\$33,990
ICBC Insurance	\$103,981
Fleet Insurance	\$59,183
Information Systems	\$25,936
H.S.T.	\$36,945
TOTAL DIRECT OPERATING COSTS	\$9,434,734
Training (Education & Seminars)	\$14,703
Marketing	\$79,568
Municipal Administration	\$172,218
BCT Management Services	\$629,268
TOTAL OPERATING COSTS	\$10,330,491
Lease Fees - Vehicles (Local Share)	\$1,180,764
Lease Fees - Equipment (Local Share)	\$50,148
Lease Fees - PTIP (Local Share)	-\$115,425
TOTAL LEASE FEES - LOCAL SHARE	\$1,115,486
TOTAL COSTS	\$11,445,977
COST SHARING	
Municipal Share of Costs	\$6,154,609
Municipal Flex Funded Amount	\$878,000
Less: Total Revenue	\$3,959,535
Less: Municipal Administration	\$172,218
Net Municipal Share of Costs	\$2,900,856
Authority Share of Costs*	\$4,413,368
STATISTICS	
Scheduled Revenue Hours	107,889.27
Extra Revenue Hours	443.69
Scheduled Revenue Kilometres	2,601,226.68
Extra Revenue Kilometres	8,904.24
Total Passengers	2,753,742
Conventional Passengers	2,753,742

*Does not include Authority share of Lease Fees

Schedule C

Nanaimo Custom Transit

Official AOA Amendment # 1

2012/2013

TRANSIT REVENUE	
Farebox Cash	\$222,094
TOTAL REVENUE	\$222,094
EXPENDITURES	
Fixed Costs	\$199,314
Variable Hourly Costs - Scheduled Service	\$866,450
Variable Fuel Costs - Scheduled Service	\$146,833
Variable Tire Costs - Scheduled Service	\$7,679
Fleet Maintenance	\$88,176
Major Repairs Contingency	\$39,000
Accident Repairs	\$2,575
Taxi Supplement	\$40,000
Taxi Saver Program	\$20,000
Taxi Saver Recoveries	-\$10,000
ICBC Insurance	\$13,940
Fleet Insurance	\$4,460
H.S.T.	\$6,258
TOTAL DIRECT OPERATING COSTS	\$1,424,686
Training (Education & Seminars)	\$3,172
Marketing	\$5,305
Municipal Administration	\$28,028
BCT Management Services	\$109,480
TOTAL OPERATING COSTS	\$1,570,670
Lease Fees - Vehicles (Local Share)	\$138,226
Lease Fees - Equipment (Local Share)	\$833
TOTAL LEASE FEES - LOCAL SHARE	\$139,059
TOTAL COSTS	\$1,709,729
COST SHARING	
Municipal Share of Costs	\$620,950
Municipal Flex Funded Amount	\$123,984
Less: Total Revenue	\$222,094
Less: Municipal Administration	\$28,028
Net Municipal Share of Costs	\$494,813
Authority Share of Costs*	\$964,795
STATISTICS	
Scheduled Revenue Hours	23,521.20
Total Passengers	72,314
Custom/Para Passengers - Vans	68,272
Custom/Para Passengers - Taxi Supplement	2,234
Taxi Saver Passengers	1,808

*Does not include Authority share of Lease Fees

Schedule "D" - Payment Schedule

**Nanaimo Regional Conventional Transit and Custom Transit
2012/2013 AOA BUDGET**

1) Payment Schedule

The Authority agrees to pay the Operating Company a monthly payment on the following basis:

a) for Specified Service in Schedule "B":

- i) \$74,638.19 for Fixed Monthly Payment for conventional transit service; plus
- ii) \$16,609.49 for Fixed Monthly Payment for custom transit service; plus
- iii) \$48.46 per Revenue Hour for conventional transit service; plus
- iv) \$36.84 per Revenue Hour for custom transit service; plus
- v) \$0.7360 per Revenue Kilometre for fuel for conventional transit service; plus
- vi) \$0.0263 per Revenue Kilometre for tires for conventional transit service.

b) for Deleted Fixed Costs as outlined in Section 6 (2), an amount equal to 1/365 of the Fixed Monthly Costs amount contained in Schedule "C" shall be deducted for each day or part day.

c) for Added Service or Deleted Service within the regular hours of system operation specified in Schedule "B":

- i) \$48.46 per Revenue Hour for conventional transit service; plus
 - ii) \$36.84 per Revenue Hour for custom transit service; plus
 - iii) \$0.7360 per Revenue Kilometre for fuel for conventional transit service.
 - iv) \$0.0263 per Revenue Kilometre for tires for conventional transit service.
- with allowance for wage premium payments (up to 1.5 times the regular Revenue Hour payment), if applicable, when service is added beyond the regular hours of operation.

d) for Maintenance:

- i) \$42.32 per hour for labour by a licensed mechanic for the maintenance of transit vehicles.

e) for fuel costs, in the event diesel fuel costs should exceed \$1.2600 / litre a payment will be made in accordance with Section 6 (3) of this agreement to compensate the Operating Company for the actual cost of all diesel fuel consumed to a maximum of 1,513,281.15 litres for Scheduled Revenue Kilometres in Schedule "B". This maximum number of litres will be adjusted in proportion to Extra or Deleted Revenue Service Kilometres.

f) Prior to conducting a Special Group Trip, the Operating Company must apply for and receive from BC Transit, a pre-approval to conduct the trip, the cost recovery rates to be charged and the method of payment.

Information contained in Schedule "C" - Budget and Schedule "D" - Payment Schedule is subject to the Freedom of Information and Protection of Privacy Act.

Consult with BC Transit prior to releasing information in these Schedules to individuals or companies other than those who are party to the Agreement.

Nanaimo A.O.A. Amendment #1

13

2012/13

SCHEDULE "E" – Tariff-Fares**Fare Zones:**

The boundaries of fare zones for this Tariff are described as follows:

Zone 1 - Regional District of Nanaimo

This zone encompasses that area within the existing transit service area.

Fares:**Conventional Transit Service:**

Effective as of March 1, 2012

a) Single Cash Fares:	<u>Zone 1</u>
i) Adult	\$2.50
ii) Senior	\$2.25
iii) Youth (6-18 yrs)	\$2.25
iv) University Student	\$2.50
iv) Child under 6 years,	Free when accompanied by an adult.
v) Accessible Transit Attendant,	Free
b) Tickets:	
i) 10 x \$2.50 fares, sold for	\$22.50
ii) 10 x \$2.25 fares, sold for	\$20.25
c) BC Bus Pass valid for the current calendar year and available through the Government of British Columbia BC Bus Pass Program.	
c) CNIB Identification Card available from the local office of the CNIB.	
d) BC Transit Employee Bus Pass	
e) One-Day Pass:	
i) Adult	\$6.25
ii) University Student**	\$6.25
ii) Senior/Youth	\$5.50
f) Monthly Pass	
i) Adult	\$67.50
ii) University Student**	\$55.00
iii) Senior/Youth	\$41.00
g) University Student Semester Pass	\$176.00

**Passes are available on VIU campus only.

Custom Transit Service:

Effective April 1, 2007

Registered User and Companion:

a) 5 Prepaid Tickets	\$17.50
b) 20 Prepaid Tickets	\$65.00
Attendant accompanying registered user	Free

Note: Visitors may register for temporary handyDART service. Proof of registration in another jurisdiction or proof of eligibility is required.

TO: Dennis Trudeau
General Manager, Transportation & Solid Waste Services

DATE: April 3, 2013

FROM: Daniel Pearce
Manager, Transit Operations

FILE: 2240-20-TROA

SUBJECT: 2013/2014 Annual Operating Agreement –
Regional District of Nanaimo / BC Transit

PURPOSE

To bring forward the 2013/2014 Conventional and Custom Annual Operating Agreement (AOA) for the Regional District of Nanaimo Transit System, with BC Transit, for consideration and approval.

BACKGROUND

The Annual Operating Agreement (AOA) (*Appendix 1*) between the Regional District of Nanaimo (RDN) and BC Transit is renewed on an annual basis and provides the cost-sharing service arrangements for Conventional and Custom Transit services in Districts 68 and 69 for the period of April 1, 2012 to March 31, 2013. The 2013/2014 AOA reflects an additional 5000 hours of Conventional transit service and 3750 Custom hours of service that were implemented in March 2014.

The AOA is an agreement governing items such as service specifications, payment schedules, fares and days/hours of service that will be provided for cost-sharing purposes. As with previous AOA's, there are costs that fall outside of the scope of the annual agreement. These items include the RDN interdepartmental administration charges, fare product commissions paid to vendors, building rentals, bus stop maintenance, training for existing staff members (drivers), advertising done outside the AOA marketing budget and janitorial services.

FINANCIAL ANALYSIS
Conventional Transit:

The main changes in the AOA that should be noted include:

CONVENTIONAL	2012/2013 Amendment #1 AOA	2013/2014 AOA	\$ CHANGE	% CHANGE
Fixed Costs (total cost, overhead, admin wages)	\$895,700	\$913,571	\$17,871	2%
Variable Hourly (total cost, drivers' wages and benefits)	\$5,249,500	\$5657,328	\$407,828	8%
Variable Distance (total cost, fuel and tires)	\$1,989,700	\$2,188,417	\$198,717	10%
Fleet Maintenance (total cost, running, major and accident repairs)	\$1,073,900	\$1,177,000	\$103,100	10%
Fleet Insurance (total cost)	\$59,100	\$55,430	-\$3,670	-6%
Lease Fees (local share, mainly buses)	\$1,115,500	\$1,224,948	\$109,448	10%
BC Transit Management Services (local share)	\$629,300	\$648,146	\$18,846	3%

The costs above reflect a new conventional schedule that was expanded by an additional 5000 hours of annual service in March 2013. The changes noted above are the line items that make up the majority of the overall costs outlined in the AOA. The Conventional Transit costs are cost-shared with BC Transit at a current rate of 46.67%.

The main increases to the Conventional system in the 2013/2014 AOA are for increased variable hourly costs, which include drivers' wages and benefits as well as costs of fuel, tires and maintenance. Fuel costs have increased based on a budget amount of \$1.30 per litre, versus \$1.26 per litre in 2012/2013.

The March 2013 expansion included three additional conventional buses being added to the fleet.

Custom Transit:

The main changes in the AOA that should be noted include:

CUSTOM	2012/2013 Amendment #1 AOA	2013/2014 AOA	\$ CHANGE	% CHANGE
Fixed Costs (total cost, overhead, admin wages)	\$199,300	\$203,300	\$4,000	2%
Variable Hourly (total cost, drivers' wages and benefits)	\$866,500	\$1,019,603	\$153,103	18%
Variable Distance (total cost, fuel and tires)	\$154,500	\$181,697	\$27,197	18%
Fleet Maintenance (total cost, running, major and accident repairs)	\$129,800	\$144,310	\$14,510	11%
Lease Fees (local share, mainly buses)	\$139,000	\$246,550	\$107,550	77%
BC Transit Management Services (local share)	\$109,500	\$112,765	\$3,265	3%

The costs above reflect a new Custom schedule that was expanded by an additional 3750 hours of annual service in March 2013. The changes noted above are the line items that make up the majority of the overall costs outlined in the AOA. The Custom Transit costs are cost-shared with BC Transit at a current rate of 66.69%.

The main increases to the Custom system in the 2013/2014 AOA are for increased driver wages, fuel, tires and maintenance. Lease fee costs have increased due to thirteen (13) Custom buses being replaced in the 2013/2014 years.

The March 2013 expansion included two additional Custom buses being added to the fleet.

ALTERNATIVES

1. That the Board approve the 2013/2014 Conventional and Custom Transit Annual Operating Agreement as presented.
2. That the Board not approve the 2013/2014 Conventional and Custom Transit Annual Operating Agreement and provide further direction to staff.

FINANCIAL IMPLICATIONS

Under Alternative 1 the 2013/2014 Conventional and Custom Transit AOA total budget is \$14,354,874, which is an increase of \$1,199,168 from the 2012/2013 AOA Amendment #1. Transportation Services staff and Financial Services staff have reviewed these costs and they are in line with the approved RDN 2013 budget for transit services.

Under Alternative 2, if the Board does not approve the AOA, it will remove BC Transit's obligation to cost-share in the service.

SUSTAINABILITY IMPLICATIONS

The Transportation Services Department is working continuously on improving the viability and efficiency of public transit. The Annual Operating Agreement is a fundamental agreement that allows the Regional District of Nanaimo to enter into a cost-sharing arrangement with BC Transit. Residents within the RDN rely on public transit, whether it is for conventional or custom transit. The options provided by public transit enable residents to leave their cars at home while they take the bus to work, to school, to medical appointments or for other equally important reasons.

SUMMARY/CONCLUSION

BC Transit has forwarded the Annual Operating Agreement covering the period April 1, 2013 to March 31, 2014 for the RDN Conventional and Custom (handyDART) Transit services. Transportation Services staff and Financial Services staff have reviewed this AOA in conjunction with the approved RDN 2013 budget for transit services.

The 2013/2014 Conventional and Custom Transit AOA indicates a budget of \$14,354,874 that is cost-shared between the RDN and BC Transit. Staff have reviewed the AOA costs for Conventional Transit and these can be explained by increased costs due to inflation and actual increases in service.

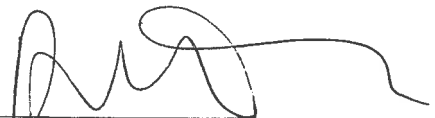
Staff recommend that the Board approve the 2013/2014 Conventional and Custom Transit Annual Operating Agreement with BC Transit.

RECOMMENDATION

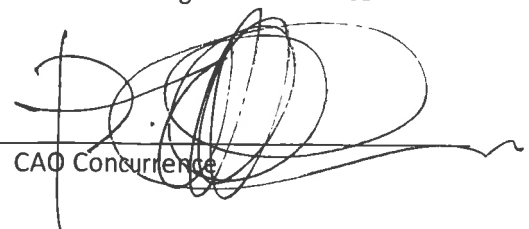
That the 2013/2014 Conventional and Custom Annual Operating Agreement (AOA) with BC Transit be approved.



Report Writer



General Manager Concurrence



CAO Concurrence

APPENDIX 1

NANAIMO

ANNUAL OPERATING AGREEMENT

Between

THE REGIONAL DISTRICT OF NANAIMO

And

BRITISH COLUMBIA TRANSIT

APRIL 1, 2013 TO MARCH 31, 2014

INFORMATION CONTAINED IN SCHEDULE "C" – BUDGET AND SCHEDULE "D" – PAYMENT
SCHEDULE IS SUBJECT TO FREEDOM OF INFORMATION & PROTECTION OF PRIVACY ACT.

CONSULT WITH BC TRANSIT PRIOR TO RELEASING INFORMATION IN THESE SCHEDULES TO
INDIVIDUALS OR COMPANIES OTHER THAN THOSE WHO ARE PARTY TO THIS AGREEMENT.

TABLE OF CONTENTS
ANNUAL OPERATING AGREEMENT

Page

SECTION 1 - DEFINITION OF TERMS	2
SECTION 2 - INCORPORATION OF MASTER AGREEMENT	2
SECTION 3 - TERM & RENEWAL	4
SECTION 4 - SCHEDULES	4
SECTION 5 - MISCELLANEOUS PROVISIONS	4
SECTION 6 - NOTICES AND COMMUNICATIONS	5

SCHEDULES

SCHEDULE "A" - TRANSIT SERVICE AREA	7
SCHEDULE "B" - SERVICE SPECIFICATIONS	8
SCHEDULE "C" - BUDGET	10
SCHEDULE "D" - PAYMENT SCHEDULE	12
SCHEDULE "E" - TARIFF-FARES	13

Nanaimo A.O.A.

2013/14

ANNUAL OPERATING AGREEMENT

BETWEEN: THE REGIONAL DISTRICT OF NANAIMO
(the "Municipality" and the "Operating Company")

AND: BRITISH COLUMBIA TRANSIT
(the "Authority")

WHEREAS the Municipality and the Authority are authorized to share in the costs of providing a Public Passenger Transportation System pursuant to the British Columbia Transit Act

WHEREAS the Municipality is authorized to operate, manage and maintain a Public Passenger Transportation System within the Nanaimo Regional Transit Service Area.

WHEREAS the parties hereto have entered into a Master Operating Agreement effective which sets out the general rights and responsibilities of the parties hereto

AND WHEREAS the parties hereto wish to enter into an Annual Operating Agreement which sets out, together with the Master Agreement, the specific terms and conditions for the operation of the Public Passenger Transportation System for the upcoming term.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises and of the covenants herein contained, the parties covenant and agree with each other as follows:

SECTION 1 – DEFINITION OF TERMS

- 1.1 Definitions: Unless agreed otherwise in the Annual Operating Agreement, the definitions set out in the Master Agreement shall apply to this Annual Operating Agreement including:
- (a) "Annual Operating Agreement" shall mean this Annual Operating Agreement and any Annual Operating Agreement Amendment negotiated and entered into by the parties subsequent hereto;
 - (b) "Master Agreement" shall mean the Master Joint Operating Agreement, including any amendments made thereto;

SECTION 2 – INCORPORATION OF MASTER AGREEMENT

- 2.1 Incorporation of Master Agreement into Annual Operating Agreement: Upon execution, this Annual Operating Agreement shall be deemed integrated into the Master Agreement and thereafter the Master Agreement and the current Annual Operating Agreement shall be read together as a single integrated document and shall be deemed to be the Annual Operating Agreement for the purposes of the British Columbia Transit Act, as amended from time to time.
- 2.2 Amendments to Master Agreement: The parties agree to amend the Master Agreement as follows:
- (a) To remove Section 13 in its entirety and replace it with the following:

"SECTION 13 - INSURANCE

13.1 Insurance: The Operating Company and the Authority shall purchase and maintain in force throughout the term of this Master Agreement, insurance policies covering the perils specified herein as set out below. As evidence of insurance coverage, the Operating Company shall deposit with the Authority, copies of the insurance policies the Operating Company is required to purchase in accordance with this Master Agreement and the Annual Operating Agreement.

13.2 Minimum Insurance Coverage Requirements: The following insurance coverage shall be purchased and maintained throughout the term of this Master Agreement and the

Nanaimo A.O.A.

2013/14

Annual Operating Agreement:

1. Vehicle Insurance:

a) The Operating Company shall purchase and maintain insurance on all vehicles used by the Operating Company in the operation of the Public Passenger Transportation System under this Master Agreement as follows:

i) Third party liability insurance of Five Million Dollars (\$5,000,000.00) per occurrence purchased from the Insurance Corporation of British Columbia.

b) The Authority shall purchase and maintain insurance on all revenue vehicles used by the Operating Company in the operation of the Public Passenger Transportation System under this Master Agreement as follows:

i) Third Party Liability insurance in excess of Five Million Dollars (\$5,000,000.00) to a minimum limit of Twenty-Five Million Dollars (\$25,000,000.00).

ii) Collision or upset insurance \$5,000.00 deductible.

iii) Comprehensive insurance covering hazards such as fire, theft, vandalism, glass breakage, falling trees, wind-storms, etc. \$500.00 deductible.

2. Physical Assets Leased from the Authority :(where applicable)

a) The Authority shall purchase and maintain insurance on all Physical Assets leased from the Authority, pursuant to the terms of the individual lease agreements with the Operating Company and respecting said Physical Assets.

b) Without limiting the generality of the foregoing, such insurance shall be in the name of the Authority and shall include a waiver of subrogation against the Operating Company. The insurance shall be in accordance with the laws in force and in effect in the Province of British Columbia and Canada.

c) The amount of such insurance for the respective categories of Physical Assets shall be not less than as follows:

i) Buildings and Structures Including Leasehold Improvements. The Authority shall purchase and maintain insurance on all buildings and structures on a standard all risk form including boiler explosion, flood and earthquake where applicable, in an amount not less than the full replacement value thereof as determined by the Authority.

ii) Other Chattels and Equipment. The Operating Company shall purchase and maintain insurance on all chattels and equipment not otherwise insured under this Schedule against loss or damage from all risks, in an amount not less than the full replacement value thereof.

d) The Authority may, in its sole discretion, self insure part or all of the insurance requirements hereunder.

3. Physical Assets Owned by the Operating Company or Leased from a Party other than the Authority

a) The Operating Company shall purchase and maintain insurance on all Physical Assets owned or leased by them from a party other than the Authority, to the same extent as specified in Section (2), above, except that contrary to Section (2) the Operating Company shall determine the full replacement value thereof.

4. Comprehensive General Liability Insurance:

a) The Authority shall take out and maintain comprehensive general liability insurance (CGL) covering the operation of the Public Passenger Transportation System specified in Schedule "B" of the Annual Operating Agreement on an occurrence basis in an amount not less than Twenty-Five Million Dollars (\$25,000,000.00). Such insurance shall include the Operating Company and the Municipality as an additional insured party and further, the policy shall apply to each insured in the same manner and to the same extent as if a separate policy has been issued to each of the insured parties.

b) The Authority's CGL does not extend to cover non-transit activities a company may be engaged in. If the Operating Company performs work outside of the terms of this Master Agreement and/or the Annual Operating Agreement, the Operating Company will require separate insurance coverage for that work which provides a waiver of subrogation in favour of BC Transit.

Nanaimo A.O.A.

2013/14

5. Additional Covenants:

- a) The Operating Company covenants that it shall not knowingly permit, suffer, allow or connive at the use or operation of any vehicle in respect of this Master Agreement by any person, or in any way, or for any purpose, contrary to the provisions of this Master Agreement or the provisions of the Insurance (Vehicle) Act or any other applicable legislation and related regulations. The Operating Company shall indemnify and save harmless the Authority from any breach of this covenant.
- b) It is mutually understood and agreed that the responsibilities to acquire and maintain policies of insurance pursuant to this Master Agreement and/or the Annual Operating Agreement shall be restricted and limited to the provisions of this Section 13."

SECTION 3 – TERM AND RENEWAL

- 3.1 Term and Renewal: The term of this agreement shall be from April 1, 2013 to March 31, 2014 except as otherwise provided herein. It is acknowledged by the parties that in the event of termination or non-renewal of the Annual Operating Agreement, the Master Agreement shall likewise be terminated or not renewed, as the case may be.

SECTION 4 – SCHEDULES

- 4.1 Schedules: The schedules attached hereto shall form part of the Annual Operating Agreement and be binding upon the parties hereto as though they were incorporated into the body of this Agreement.
- a) Schedule "A" – Transit Service Area
 - b) Schedule "B" - Service Specifications
 - c) Schedule "C" - Budget
 - d) Schedule "D" – Payment Schedule
 - e) Schedule "E" – Tariff-Fares

SECTION 5 – MISCELLANEOUS PROVISIONS

- 5.1 Amendment: This Annual Operating Agreement and the Schedules attached hereto may be amended only with the prior written consent of all parties.
- 5.2 Assignment: This Annual Operating Agreement shall not be assignable without the prior written consent of the other parties.
- 5.3 Enurement: The Annual Operating Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors.
- 5.4 Pets on Buses: Notwithstanding the provisions of Section 9.7 of the Master Joint Operating Agreement, pets on buses are permitted under guidelines agreed to by the parties to this agreement.
- 5.5 Alternative Funding Arrangements: For the period beginning on April 1, 2013 and ending on March 31, 2014, the Municipality shall contribute 100% of the Municipal Flex Funded amount identified in Schedule C, and the Municipality and the Authority shall share the balance of the remaining costs according to their funding contribution shares as per Section 7 of the British Columbia Transit Regulation, B.C. Reg 30/91.

Nanaimo A.O.A.

2013/14

SECTION 6 – NOTICES AND COMMUNICATION

All notices, claims and communications required or permitted to be given hereunder shall be in writing and shall be sufficiently given if personally delivered to a responsible officer of the party hereto to whom it is addressed or if mailed by prepaid registered mail, to:

Regional District of Nanaimo
c/o Manager of Transportation Services
6300 Hammond Bay Road
Nanaimo, BC V9T 6N2

and to

BC Transit
c/o Chief Operating Officer
520 Gorge Road East
Victoria, BC V8W 2P3

and, if so mailed during regular mail service, shall be deemed to have been received five (5) days following the date of such mailing.

Nanaimo A.O.A.

2013/14

IN WITNESS WHEREOF the parties hereto have hereunto set their hands and seals and where a party is a corporate entity the seal of such party has been affixed hereto in the presence of its duly authorized officer this day of

THE CORPORATE SEAL OF THE REGIONAL DISTRICT OF NANAIMO has been hereto affixed in the presence of:

THE COMMON SEAL OF BRITISH COLUMBIA TRANSIT has been hereto affixed in the presence of:

CHIEF OPERATING OFFICER

CHIEF FINANCIAL OFFICER

Nanaimo A.O.A.

2013/14

SCHEDULE "A" - Transit Service Area Boundaries

The boundaries of the Municipal Transit Service Area shall be defined as follows:

The boundaries of the Nanaimo Regional Transit Service Area shall include the corporate boundaries of the City of Nanaimo, the City of Parksville, the Town of Qualicum Beach and the District of Lantzville and Electoral Areas A, D, E, G and H of the Regional District of Nanaimo.

Nanaimo A.O.A.

2013/14

SCHEDULE "B" – Service Specifications

Nanaimo Regional Base Budget Official AOA 2013/2014

Schedule 'B'

Effective Apr 01, 2013

Scheduled Revenue Service

1314 Apr to Jun (Apr 01, 2013 to Jun 29, 2013)									
Mon	Tue	Wed	Thu	Fri	Sat	Sun	Apr 01, 2013	May 20, 2013	
378.88	378.88	378.88	378.88	378.88	378.88	281.45	138.83	138.83	138.83
9,218.73	9,218.73	9,218.73	9,218.73	9,218.73	9,218.73	3,210.20	3,210.20	3,210.20	3,210.20

1314 Jun to Aug (Jun 30, 2013 to Aug 31, 2013)									
Mon	Tue	Wed	Thu	Fri	Sat	Sun	Jul 01, 2013	Aug 05, 2013	
325.12	325.12	325.12	325.12	325.12	281.45	138.83	138.83	138.83	138.83
7,989.43	7,989.43	7,989.43	7,989.43	7,989.43	9,218.73	3,210.20	3,210.20	3,210.20	3,210.20

1314 Sep to Dec (Sep 01, 2013 to Dec 31, 2013)									
Mon	Tue	Wed	Thu	Fri	Sat	Sun	Sep 02, 2013	Oct 14, 2013	Nov 11, 2013
378.88	378.88	378.88	378.88	378.88	378.88	281.45	138.83	138.83	138.83
9,218.73	9,218.73	9,218.73	9,218.73	9,218.73	9,218.73	3,210.20	3,210.20	3,210.20	3,210.20

1314 Dec to Jan (Dec 22, 2013 to Jan 04, 2014)									
Mon	Tue	Wed	Thu	Fri	Sat	Sun	Dec 28, 2013		
325.12	325.12	325.12	325.12	325.12	281.45	138.83	138.83		
7,989.43	7,989.43	7,989.43	7,989.43	7,989.43	9,218.73	3,210.20	3,210.20		

1313 Jan to Mar (Jan 05, 2014 to Mar 31, 2014)									
Mon	Tue	Wed	Thu	Fri	Sat	Sun	Feb 10, 2014		
378.88	378.88	378.88	378.88	378.88	378.88	281.45	138.83	138.83	
9,218.73	9,218.73	9,218.73	9,218.73	9,218.73	9,218.73	3,210.20	3,210.20	3,210.20	

Extra Revenue Service

	Apr. 2013	May, 2013	Jun, 2013	Jul, 2013	Aug, 2013	Sep, 2013	Oct, 2013	Nov, 2013	Dec, 2013	Jan, 2014	Feb, 2014	Mar, 2014
Extra Overhead Hours	20.00	15.00				55.32	58.00	20.00	20.00	20.00	20.00	19.00
Extra Overhead Kilometres	420.00	420.00				1,300.00	748.00	420.00	420.00	420.00	420.00	420.00
Extra Special Events Hours				45.35								
Extra Special Events Kilometres				546.24								

Adjusted Revenue Service

	Apr. 2013	May, 2013	Jun, 2013	Jul, 2013	Aug, 2013	Sep, 2013	Oct, 2013	Nov, 2013	Dec, 2013	Jan, 2014	Feb, 2014	Mar, 2014

2013/2014 Calendar Specification

Period	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Exceptions	Total	Exception Days
Apr 01, 2013 to Apr 30, 2013	4	5	4	4	4	4	4	1	30	Apr 01, 2013 Easter Monday 2013 (Mon)
May 01, 2013 to May 31, 2013	3	4	5	4	5	4	4	0	31	May 20, 2013 Victoria Day 2013 (Mon)
Jun 01, 2013 to Jun 30, 2013	4	4	4	4	4	4	4	1	28	Jun 01, 2013 Canada Day 2013 (Mon)
Jul 01, 2013 to Jul 31, 2013	0	0	0	0	0	0	1	0	1	Aug 05, 2013 B.C. Day 2013 (Mon)
Aug 01, 2013 to Aug 31, 2013	4	5	4	4	4	4	4	1	31	Sep 02, 2013 Labour Day 2013 (Mon)
Sep 01, 2013 to Sep 30, 2013	3	4	5	4	4	4	4	1	31	Oct 14, 2013 Thanksgiving Day 2013 (Mon)
Oct 01, 2013 to Oct 31, 2013	4	4	4	4	4	4	4	1	30	Nov 11, 2013 Remembrance Day 2013 (Mon)
Nov 01, 2013 to Nov 30, 2013	3	4	4	4	5	4	4	1	30	Dec 25, 2013 Christmas Day 2013 (Wed)
Dec 01, 2013 to Dec 31, 2013	3	3	3	3	3	3	3	0	21	Dec 28, 2013 Boxing Day 2013 (Thu)
Jan 01, 2014 to Jan 31, 2014	2	3	0	0	1	1	2	2	10	Jan 01, 2014 New Years Day 2014 (Wed)
Feb 01, 2014 to Feb 28, 2014	0	0	0	1	1	1	0	1	4	Feb 10, 2014 Family Day 2014 (Mon)
Mar 01, 2014 to Mar 31, 2014	4	4	4	4	4	4	4	0	27	
Apr 01, 2014 to Apr 30, 2014	3	4	4	4	4	4	4	1	28	
May 01, 2014 to May 31, 2014	5	4	4	4	4	4	4	0	31	
Total	45	52	50	51	52	52	52	11	365	11 Exceptions

Monthly Summary

Month	Conventional Transit							
	Revenue Hours				Revenue Kilometers			
	Scheduled	Extra	Adjusted	Total	Scheduled	Extra	Adjusted	Total
April, 2013	8,548.69	20.00		8,568.69	225,533.03	420.00		226,250.03
May, 2013	10,027.38	15.00		10,042.38	245,118.97	420.00		245,538.97
June, 2013	9,533.46	0.00		9,533.46	233,052.31	0.00		233,052.31
July, 2013	8,883.09	45.35		8,928.44	217,288.42	548.24		217,812.66
August, 2013	8,819.42	0.00		8,819.42	215,789.98	0.00		215,789.98
September, 2013	9,408.94	55.32		9,464.26	229,620.52	1,300.00		231,120.52
October, 2013	10,025.37	35.00		10,060.37	245,049.78	748.00		245,794.78
November, 2013	9,535.45	20.00		9,555.45	233,151.50	420.00		233,571.50
December, 2013	9,149.15	20.00		9,169.15	223,468.83	420.00		223,918.83
January, 2014	9,785.32	20.00		9,805.32	239,338.96	420.00		239,758.96
February, 2014	8,985.33	20.00		8,915.33	217,360.59	420.00		217,810.59
March, 2014	9,919.14	16.00		9,929.14	242,302.04	420.00		242,722.04
Total	113,821.72	289.67	0.00	113,861.39	2,777,616.97	5,591.24	0.00	2,783,151.21

Nanaimo A.O.A.

2013/14

SCHEDULE "B" – Service Specifications

Nanaimo Custom Base Budget Official AOA 2013/2014

Schedule 'B'

Effective Apr 01, 2013

Scheduled Revenue Service

13/14 Fall Year (Apr 01, 2013 to Mar 31, 2014)								
	Mon	Tue	Wed	Thu	Fri	Sat	Sun	
Per/Day	62.00	104.00	104.00	102.00	100.00	24.00	8.00	
Kms/Day	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Flexible Hours

	Apr. 2013	May, 2013	Jun, 2013	Jul, 2013	Aug, 2013	Sep, 2013	Oct, 2013	Nov, 2013	Dec, 2013	Jan, 2014	Feb, 2014	Mar, 2014
	63.20	63.20	63.20	63.20	63.20	63.20	63.20	63.20	63.20	63.20	63.20	63.20

Extra Revenue Service

	Apr, 2013	May, 2013	Jun, 2013	Jul, 2013	Aug, 2013	Sep, 2013	Oct, 2013	Nov, 2013	Dec, 2013	Jan, 2014	Feb, 2014	Mar, 2014

Adjusted Revenue Service

	Apr, 2013	May, 2013	Jun, 2013	Jul, 2013	Aug, 2013	Sep, 2013	Oct, 2013	Nov, 2013	Dec, 2013	Jan, 2014	Feb, 2014	Mar, 2014

2013/2014 Calendar Specification

Period	Days							Exceptions	Total	Exception Days
	Mon	Tue	Wed	Thu	Fri	Sat	Sun			
Apr 01, 2013 to Apr 30, 2013	4	5	4	4	4	4	4	1	30	Apr 01, 2013 Easter Monday 2013 (Mon)
May 01, 2013 to May 31, 2013	3	4	4	5	5	5	4	1	31	May 20, 2013 Victoria Day 2013 (Mon)
Jun 01, 2013 to Jun 30, 2013	4	4	4	4	4	4	5	0	30	Jul 01, 2013 Canada Day 2013 (Mon)
Jul 01, 2013 to Jul 31, 2013	4	5	5	4	4	4	4	1	31	Aug 05, 2013 BC Day 2013 (Mon)
Aug 01, 2013 to Aug 31, 2013	3	4	4	4	5	5	4	1	31	Sep 02, 2013 Labour Day 2013 (Mon)
Sep 01, 2013 to Sep 30, 2013	4	4	4	4	4	4	4	5	30	Oct 14, 2013 Thanksgiving Day 2013 (Mon)
Oct 01, 2013 to Oct 31, 2013	3	4	4	5	5	4	4	1	31	Nov 11, 2013 Remembrance Day 2013 (Mon)
Nov 01, 2013 to Nov 30, 2013	3	4	4	4	5	5	4	1	30	Dec 25, 2013 Christmas Day 2013 (Wed)
Dec 01, 2013 to Dec 31, 2013	5	5	3	3	4	4	5	2	31	Dec 26, 2013 Boxing Day 2013 (Thu)
Jan 01, 2014 to Jan 31, 2014	4	4	4	5	5	4	4	1	31	Jan 01, 2014 New Years Day 2014 (Wed)
Feb 01, 2014 to Feb 28, 2014	3	4	4	4	4	4	4	1	28	Feb 10, 2014 Family Day 2014 (Mon)
Mar 01, 2014 to Mar 31, 2014	5	4	4	4	4	4	5	0	31	
Total	40	52	50	51	52	52	52	11	365	11 Exceptions

Monthly Summary

Month	Revenue Hours				Revenue Kilometers				
	Sched/Ad	Extra	Flexible	Adjusted	Total	Sched/Ad	Extra	Adjusted	Total
April, 2013	2,200.00		53.20		2,253.20				0.00
May, 2013	2,320.00		53.20		2,373.20				0.00
June, 2013	2,128.00		53.20		2,181.20				0.00
July, 2013	2,304.00		53.20		2,357.20				0.00
August, 2013	2,240.00		53.20		2,293.20				0.00
September, 2013	2,104.00		53.20		2,157.20				0.00
October, 2013	2,324.00		53.20		2,377.20				0.00
November, 2013	2,138.00		53.20		2,191.20				0.00
December, 2013	2,064.00		53.20		2,117.20				0.00
January, 2014	2,258.00		53.20		2,311.20				0.00
February, 2014	2,014.00		53.20		2,067.20				0.00
March, 2014	2,210.00		53.20		2,263.20				0.00
Total	26,564.00	0.00	636.40	0.00	27,023.40	0.00	0.00	0.00	0.00

Nanaimo A.O.A.

2013/14

Schedule C

Nanaimo Regional Conventional Transit

	Official AOA 2013/2014
TRANSIT REVENUE	
Farebox Cash	\$1,463,563
Tickets & Passes	\$1,940,071
BC Bus Pass	\$754,786
Advertising	\$37,660
TOTAL REVENUE	\$4,196,080
EXPENDITURES	
Fixed Costs	\$913,571
Variable Hourly Costs - Scheduled Service	\$5,643,933
Variable Hourly Costs - Extra Service	\$13,395
Variable Fuel Costs - Scheduled Service	\$2,109,287
Variable Fuel Costs - Extra Service	\$4,200
Variable Tire Costs - Scheduled Service	\$74,781
Variable Tire Costs - Extra Service	\$149
Fleet Maintenance	\$1,134,490
Major Repairs Contingency	\$7,500
Accident Repairs	\$35,010
ICBC Insurance	\$113,913
Fleet Insurance	\$55,430
Information Systems	\$23,654
P.S.T.	\$51,126
TOTAL DIRECT OPERATING COSTS	\$10,180,438
Training (Education & Seminars)	\$14,703
Marketing	\$81,159
Municipal Administration	\$177,385
BCT Management Services	\$648,146
TOTAL OPERATING COSTS	\$11,101,832
Lease Fees - Vehicles (Local Share)	\$1,294,250
Lease Fees - Equipment (Local Share)	\$46,123
Lease Fees - PTIP (Local Share)	-\$115,425
TOTAL LEASE FEES - LOCAL SHARE	\$1,224,948
TOTAL COSTS	\$12,326,779
COST SHARING	
Municipal Share of Costs	\$6,675,272
Municipal Flex Funded Amount	\$878,000
Less: Total Revenue	\$4,196,080
Less: Municipal Administration	\$177,385
Net Municipal Share of Costs	\$3,179,807
Authority Share of Costs*	\$4,773,507
STATISTICS	
Scheduled Revenue Hours	113,821.72
Extra Revenue Hours	269.67
Scheduled Revenue Kilometres	2,777,619.97
Extra Revenue Kilometres	5,531.24
Total Passengers	2,791,635
Conventional Passengers	2,791,635

*Does not include Authority share of Lease Fees

Nanaimo A.O.A.

2013/14

Schedule C

Nanaimo Custom Transit

	Official AOA 2013/2014
TRANSIT REVENUE	
Farebox Cash	\$237,710
TOTAL REVENUE	\$237,710
EXPENDITURES	
Fixed Costs	\$203,300
Variable Hourly Costs - Scheduled Service	\$1,019,603
Variable Fuel Costs - Scheduled Service	\$173,916
Variable Tire Costs - Scheduled Service	\$7,781
Fleet Maintenance	\$106,660
Major Repairs Contingency	\$35,000
Accident Repairs	\$2,650
Taxi Supplement	\$40,000
Taxi Saver Program	\$20,000
Taxi Saver Recoveries	-\$10,000
ICBC Insurance	\$16,217
Fleet Insurance	\$5,120
Information Systems	\$3,030
P.S.T.	\$8,159
TOTAL DIRECT OPERATING COSTS	\$1,631,435
Training (Education & Seminars)	\$3,172
Marketing	\$5,305
Municipal Administration	\$28,868
BCT Management Services	\$112,765
TOTAL OPERATING COSTS	\$1,781,545
Lease Fees - Vehicles (Local Share)	\$246,214
Lease Fees - Equipment (Local Share)	\$336
TOTAL LEASE FEES - LOCAL SHARE	\$246,550
TOTAL COSTS	\$2,028,095
COST SHARING	
Municipal Share of Costs	\$798,684
Municipal Flex Funded Amount	\$123,984
Less: Total Revenue	\$237,710
Less: Municipal Administration	\$28,868
Net Municipal Share of Costs	\$656,090
Authority Share of Costs*	\$1,105,428
STATISTICS	
Scheduled Revenue Hours	27,002.40
Total Passengers	77,424
Custom/Para Passengers - Vans	73,088
Custom/Para Passengers - Taxi Supplement	2,299
Taxi Saver Passengers	2,037

*Does not include Authority share of Lease Fees

Nanaimo A.O.A.

2013/14

Schedule "D" - Payment Schedule

Nanaimo Regional Conventional Transit and Custom Transit 2013/2014 AOA BUDGET

1) Payment Schedule

The Authority agrees to pay the Operating Company a monthly payment on the following basis:

a) for Specified Service In Schedule "B":

- i) \$76,130.95 for Fixed Monthly Payment for conventional transit service; plus
- ii) \$16,941.69 for Fixed Monthly Payment for custom transit service; plus
- iii) \$49.67 per Revenue Hour for conventional transit service; plus
- iv) \$37.76 per Revenue Hour for custom transit service; plus
- v) \$0.7594 per Revenue Kilometre for fuel for conventional transit service; plus
- vi) \$0.0269 per Revenue Kilometre for tires for conventional transit service.

b) for Deleted Fixed Costs as outlined in Section 6 (2), an amount equal to 1/365 of the Fixed Monthly Costs amount contained in Schedule "C" shall be deducted for each day or part day.

c) for Added Service or Deleted Service within the regular hours of system operation specified in Schedule "B":

- i) \$49.67 per Revenue Hour for conventional transit service; plus
 - ii) \$37.76 per Revenue Hour for custom transit service; plus
 - iii) \$0.7594 per Revenue Kilometre for fuel for conventional transit service.
 - iv) \$0.0269 per Revenue Kilometre for tires for conventional transit service.
- with allowance for wage premium payments (up to 1.5 times the regular Revenue Hour payment), if applicable, when service is added beyond the regular hours of operation.

d) for Maintenance:

- i) \$43.38 per hour for labour by a licensed mechanic for the maintenance of transit vehicles.

e) for fuel costs, in the event diesel fuel costs should exceed \$1.3000 / litre a payment will be made in accordance with Section 6 (3) of this agreement to compensate the Operating Company for the actual cost of all diesel fuel consumed to a maximum of 1,616,041.21 litres for Scheduled Revenue Kilometres in Schedule "B". This maximum number of litres will be adjusted in proportion to Extra or Deleted Revenue Service Kilometres.

f) Prior to conducting a Special Group Trip, the Operating Company must apply for and receive from BC Transit, a pre-approval to conduct the trip, the cost recovery rates to be charged and the method of payment.

Information contained in Schedule "C" - Budget and Schedule "D" - Payment Schedule is subject to the Freedom of Information and Protection of Privacy Act.

Consult with BC Transit prior to releasing information in these Schedules to individuals or companies other than those who are party to the Agreement.

Nanaimo A.O.A.

2013/14

SCHEDULE "E" – Tariff-Fares

Fare Zones:

The boundaries of fare zones for this Tariff are described as follows:

Zone 1 - Regional District of Nanaimo

This zone encompasses that area within the existing transit service area.

Fares:

Conventional Transit Service:

Effective as of March 1, 2012

	<u>Zone 1</u>
a) Single Cash Fares:	
i) Adult	\$2.50
ii) Senior	\$2.25
iii) Youth (6-18 yrs)	\$2.25
iv) University Student	\$2.50
iv) Child under 6 years,	Free when accompanied by an adult.
v) Accessible Transit Attendant,	Free
b) Tickets:	
i) 10 x \$2.50 fares, sold for	\$22.50
ii) 10 x \$2.25 fares, sold for	\$20.25
c) BC Bus Pass valid for the current calendar year and available through the Government of British Columbia BC Bus Pass Program.	
c) CNIB Identification Card available from the local office of the CNIB.	
d) BC Transit Employee Bus Pass	
e) One-Day Pass:	
i) Adult	\$6.25
ii) University Student**	\$6.25
ii) Senior/Youth	\$5.50
f) Monthly Pass	
i) Adult	\$67.50
ii) University Student**	\$55.00
iii) Senior/Youth	\$41.00
g) University Student Semester Pass	\$176.00

**Passes are available on VIU campus only.

Custom Transit Service:

Effective April 1, 2007

Registered User and Companion:

a) 5 Prepaid Tickets	\$17.50
b) 20 Prepaid Tickets	\$65.00
Attendant accompanying registered user	Free

Note: Visitors may register for temporary handyDART service. Proof of registration in another jurisdiction or proof of eligibility is required.

TO: Dennis Trudeau
General Manager, Transportation & Solid Waste Services

DATE: April 11, 2013

FROM: Daniel Pearce
Manager, Transit Operations

FILE: 0550-20-TSC

SUBJECT: Cruise Ship Shuttle Service – 2013

PURPOSE

To consider the Special Event busing request submitted by the Nanaimo Port Authority for cruise ships arriving in Nanaimo on May 11, 2013, May 12, 2013, May 14, 2013, May 16, 2013, September 15, 2013, September 17, 2013 and September 27, 2013.

BACKGROUND

Correspondence dated March 26, 2013 (*Appendix 1*) was received from the Nanaimo Port Authority requesting the participation of the Regional District of Nanaimo (RDN) Transit for upcoming cruise ship arrivals on May 11, 2013, May 12, 2013, May 14, 2013, May 16, 2013, September 15, 2013, September 17, 2013 and September 27, 2013.

The Nanaimo Port Authority has requested that a shuttle bus service be established on the dates of cruise ship arrivals to provide service to the cruise ship passengers. It is anticipated there will be approximately 2,000 to 2,200 passengers on board each vessel, with potentially three-quarters of the passengers disembarking the ship and using the shuttle service.

The Nanaimo Port Authority will be paying all costs associated with the shuttle bus service.

In 2011 and 2012 the RDN partnered with the Nanaimo Port Authority to provide shuttle service to cruise ships. The service both years was a huge success for both the RDN and Nanaimo Port Authority.

Staff have recommended to the Nanaimo Port Authority that five (5) Nova buses be used from 0830 to 1130 hours in order to transport the majority of passengers from the cruise ship terminal. After 1130 hours two (2) Nova buses would be removed from service, leaving three (3) Nova buses for the remainder of the day.

The RDN will have sufficient spare vehicles to accommodate the request for Saturday, May 11, 2013, Sunday, May 12, 2013 and Sunday, September 15, 2013. In order to maintain regular scheduled service, the RDN will not have sufficient spare vehicles to provide shuttle service on Tuesday, May 14, 2013, Thursday, May 16, 2013, Tuesday, September 17, 2013 and Friday, September 27, 2013.

This request meets the RDN policy on the use of buses for Special Events in that the event is within the transit service area and the event is community oriented; however, only cruise ship passengers would be able to use the service.

BC Transit has been advised of the request.

ALTERNATIVES

1. Approve the application from the Nanaimo Port Authority to provide shuttle bus service for cruise ships on May 11, 2013, May 12, 2013 and September 15, 2013.
2. Do not approve the application from the Nanaimo Port Authority to provide shuttle bus service and provide alternate direction to staff.

FINANCIAL IMPLICATIONS

Staff has confirmed the Nanaimo Port Authority will pay all costs associated with providing shuttle bus service on May 11, 2013, May 12, 2013 and September 15, 2013. The estimated cost of the proposed service for all three days is \$16,500.

SUSTAINABILITY

Given the essential role of public transit in a sustainable region, all efforts of the Transportation Services Department are founded on generating positive implications for the sustainability of the region. In particular, providing residents a meaningful alternative to the private automobile, which in turn reduces greenhouse gas emissions and mitigates the effects of climate change, is one of the primary goals of the Transit Department.

CONCLUSIONS

The Nanaimo Port Authority has made an application under the Special Events Policy requesting that bus shuttle service be established in the downtown core, on the dates of cruise ship arrivals, to provide bus service for cruise ship passengers.

The RDN will have sufficient spare vehicles to accommodate the request for Saturday, May 11, 2013, Sunday, May 12, 2013 and Sunday, September 15, 2013. To maintain regular scheduled service, the RDN will not have sufficient spare vehicles to provide shuttle service on Tuesday, May 14, 2013, Thursday, May 16, 2013, Tuesday, September 17, 2013 and Friday, September 27, 2013.

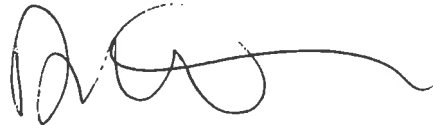
Staff recommend the requests for May 11, 2013, May 12, 2013 and September 15, 2013 since this provides a good opportunity to raise the profile of RDN Transit, costs are covered by the Nanaimo Port Authority and adequate resources are available for the service.

RECOMMENDATION

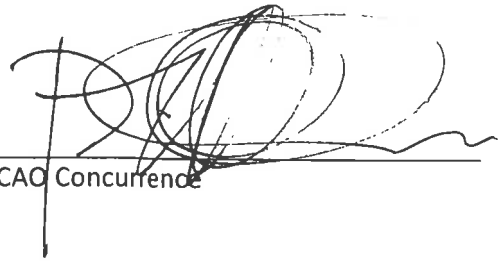
That the application made by the Nanaimo Port Authority for the Regional District of Nanaimo to provide bus service for cruise ships arriving in Nanaimo on May 11, 2013, May 12, 2013 and September 15, 2013, at the cost of Nanaimo Port Authority, be approved.



Report Writer



GM Concurrence



CAO Concurrence

APPENDIX 1



Box 131-100 Port Drive
Nanaimo, British Columbia
Canada V9R 5K4

C P 131-100 Port Drive
Nanaimo, Colombie-Britannique
Canada V9R 5K4

T 250 753 4146
F 250.753 4899
info@npa.ca
www.npa.ca

March 26, 2013

Mr. Daniel Pearce
Manager Transit & Planning
Regional District of Nanaimo
6300 Hammond Bay Road
Nanaimo, BC V9T 6N2

Dear Mr. ^{Daniel} Pearce:

Re: RDN Shuttle Busses – Nanaimo Cruise Days

The shuttle bus service for cruise passengers in 2012 was a huge success, and the Port would request that the Regional District of Nanaimo work with us again for a closed network system using the RDN busses to shuttle passengers through downtown Nanaimo.

I have attached the cruise vessel schedule for 2013, and in May we have four vessels over a six-day period which of course will require some very careful coordination for the buses to assure their availability over this short period. Each of the Norwegian vessels is expected to have approximately 2000 - 2200 passengers on board, and as a rule of thumb I expect that 60 percent of the passengers will make their way into the community for independent exploration with the balance going on shore excursions or preferring to walk into the downtown. The first three vessels will be arriving at 0700 and departing at 1700 hours; the exception being the Norwegian Jewel on May 16 which is currently showing arrival at 0800. Normally the shore excursions start around 0830 and most are gone by 1030 hours. If prior history holds true, the majority of the self-guided visitors will start coming off the ship at 0930 and most will have left the ship by noon. The ships also have approximately 900 crew and they will likely start departing prior to noon and will return to the ship no later than 1500 hours.

Our plan will be to utilize the same route as in 2012, which provides for a consistent cycle time and reduction of any potential waiting time for the cruise passengers queuing at the terminal.

We look forward to working with the RDN and await your confirmation that the buses can provide cruise transportation services from our terminal through the downtown area.

Yours truly,

A handwritten signature in black ink, appearing to read "Doug Peterson".

Doug Peterson
Manager of Marketing & Sales

/jw

Canada



**Nanaimo Port Authority
2013 Cruise Vessel Schedule**

Vessel Name	Date		Time	Coming From
Norwegian Pearl	May 11, 2013	Saturday	0700 -1700 hours	Victoria
Norwegian Sun	May 12, 2013	Sunday	0700 – 1700 hours	Victoria
Norwegian Jewel	May 14, 2013	Tuesday	0700 – 1700 hours	Victoria
Norwegian Jewel	May 16, 2013	Thursday	0800 – 1700 hours	Vancouver
Celebrity Millennium	September 15, 2013	Sunday	0700 – 1700 hours	Victoria
Norwegian Sun	September 17, 2013	Tuesday	0800 – 1700 hours	Vancouver
Celebrity Century	September 27, 2013	Friday	0700 – 1700 hours	Vancouver

Revised February 14, 2013