

Administration Report

Original signed by: City Manager Johnson

Report Date: June 7, 2021

Meeting Date: June 15, 2021

To: City Manager

From: Director of Community Services

Subject: BC Transit Annual Operating Agreement 2021-2022

PURPOSE

To obtain Council approval to enter into the 2021/22 Annual Operating Agreement (AOA) with BC Transit for the provision of conventional and custom service.

SUMMARY

- The City has a Transit Service Agreement (TSA) with BC Transit that provides the basis for transit services in Quesnel.
- Each year, the City and BC Transit enter into an Annual Operating Agreement (AOA) that confirms the annual budget, service level, and cost structure for the transit system.
- Starting in 2021/22, BC Transit is will be billing local government partners based on actual expenditures instead of based on the budget. The shared operating reserve will no longer be carried forward in the BC Transit budget and outstanding balances will be applied to the 2021/22 budget (Quesnel's shared operating reserve is estimated to be \$97,800).
- The budget includes \$66,300 for 2021/2022 in Safe Restart funds that were provided through BC Transit in 2020 to help offset revenue shortfalls due to COVID-19.
- Under the terms of the Safe Restart Funding contribution agreement, BC Transit and its local government partners are required to maintain targeted essential transit service levels and fees through to the end of the 2023/24 fiscal year.
- The service expansion requested for the taxi supplement program which had been delayed due to COVID-19, has been incorporated into the 2021/2022 budget. The annual estimated cost of the program for the City's share of the cost is \$16,200.

RECOMMENDATION

THAT Council approves entering into the 2021/22 Annual Operating Agreement for Quesnel Transit Service with BC Transit;

AND THAT the Mayor and Corporate Administrator be authorized to execute such documentation as required to complete the Agreements.

FINANCIAL IMPLICATIONS

- The total cost of conventional and custom services over the term of the 2021/2022 AOA is estimated to be \$1,113,885.
- The estimated net municipal share for the service under the agreement is \$383,135.



- The actual net municipal cost will vary depending on actual costs and revenue.

ATTACHMENTS

- Annual Operating Agreement 2021/2022