

DATE: September 7, 2017

TO: Chair and Directors
Committee of the Whole

FROM: Russell Dyson
Chief Administrative Officer

RE: Transit Service Agreements

FILE: 8500-20

Purpose

This report is presented to seek Comox Valley Regional District (CVRD) board approval of the updated transit agreements between CVRD and BC Transit.

Policy Analysis

The CVRD's purchasing policy requires board approval for agreements that exceed \$100,000.

Executive Summary

BC Transit has undertaken a number of administrative housekeeping changes to the transit agreements between BC Transit and partnering local governments. This includes addressing recommendation #11 of the provincially-commissioned Independent Review Panel which states:

The provincial government should amend the BC Transit Act and Regulation to require only one agreement between local governments and BC Transit and one operating agreement between BC Transit and a transit operating company for each transit service area.

In the past, the agreements were tri-party between the CVRD, BC Transit and the operator. The new agreements are now between CVRD and BC Transit only and all agreements with the contracted operator are only between BC Transit and the operator. All previous transit agreements are replaced by a new Transit Service Agreement and Annual Operating Agreement (AOA).

The TSA will be in full force and effect unless terminated and includes the responsibilities of each partner and identifies the service area. The AOA must be approved each year and confirms the budgeted service levels, revenue projections and fare structures.

As these agreements exceed \$100,000, CVRD board approval is required. In addition to the AOA effective April 1, 2017, board approval is also required for an AOA amendment effective September 5, 2017 which reflects the 900 hour rural service expansion approved in 2016 and implemented on September 5th, 2017.

Recommendations from the Chief Administrative Officer:

1. THAT the Transit Service Agreement between the Comox Valley Regional District and BC Transit effective April 1, 2017 be approved.
2. THAT the Annual Operating Agreement between the Comox Valley Regional District and BC Transit effective April 1, 2017 be approved;

AND FURTHER THAT amendment #1 to the Annual Operating Agreement effective September 5, 2017 be approved.

Respectfully:

R. Dyson

Russell Dyson
Chief Administrative Officer

Prepared by:

M. Zbarsky

Michael Zbarsky, B.Sc. ASCT
Acting General Manager of
Community Services

Attachments: Appendix A – “Comox Valley Transit Service Agreement”
Appendix B – “Comox Valley Annual Operating Agreement”
Appendix C – “Comox Valley Annual Operating Agreement amendment 1”

COMOX VALLEY

TRANSIT SERVICE AGREEMENT

between

COMOX VALLEY REGIONAL DISTRICT

and

BRITISH COLUMBIA TRANSIT

Effective

April 1, 2017

INFORMATION CONTAINED IN THIS AGREEMENT IS SUBJECT TO THE FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY ACT. CONSULT WITH THE AUTHORITY PRIOR TO RELEASING INFORMATION TO INDIVIDUALS OR COMPANIES OTHER THAN THOSE WHO ARE PARTY TO THIS AGREEMENT.

TRANSIT SERVICE AGREEMENT

BETWEEN:

COMOX VALLEY REGIONAL DISTRICT

(the "Municipality")

AND:

BRITISH COLUMBIA TRANSIT

(the "Authority")

WHEREAS the Authority has, at the request of the Municipality, established the Transit Service Area described in this agreement pursuant to the *British Columbia Transit Act*,

WHEREAS the Authority is authorized to contract for transit services for the purpose of providing and maintaining those services and facilities necessary for the establishment, maintenance and operation of a public passenger transportation system in the Transit Service Area;

WHEREAS the Municipality is authorized to enter into one or more agreements with the Authority for transit services in the Transit Service Area; and

WHEREAS the Municipality and the Authority wish to define their respective rights and responsibilities with respect to the provision of transit services in the Transit Service Area.

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

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SECTION 1: DEFINITIONS

The Definitions that shall apply to this Agreement as approved pursuant to the *British Columbia Transit Act* and Regulations are defined in Schedule "A" and, unless the context clearly indicates to the contrary, any words defined in the singular shall include the plural and vice versa.

SECTION 2: INCORPORATION OF SCHEDULES

The parties agree that the attached schedules form part of this agreement and are binding on the parties.

SECTION 3: ANNUAL OPERATING AGREEMENT

The Municipality and the Authority shall enter into an Annual Operating Agreement prescribed by regulation made pursuant to the *British Columbia Transit Act*.

SECTION 4: INCORPORATION OF ANNUAL OPERATING AGREEMENT

Upon execution, this Transit Service Agreement shall be deemed integrated into the Annual Operating Agreement and thereafter the Transit Service Agreement and 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.

SECTION 5: TRANSIT SERVICE AREA

For the purposes of this agreement, the "Transit Service Area" is defined as the area comprised within the boundaries shown in Schedule "B" to be known as the Comox Valley Transit Service Area.

SECTION 6: TERM AND TERMINATION

The parties agree that the effective date of this agreement is to be April 1, 2017, whether or not the agreements have been fully executed by the necessary parties. Once this agreement and the associated Annual Operating Agreement are duly executed, this agreement will replace all provisions in the existing Transit Service Agreement and Master Operating Agreement with respect to the rights and obligations as between the Authority and the Municipality.

Upon commencement of this agreement it shall remain in full force and effect unless and until terminated in accordance with the provisions of this Agreement. Either party may terminate this agreement as follows:

- a) Cancellation by the Authority: In the event that the Authority decides to terminate this Agreement for any reason whatsoever, the Authority shall provide at least one hundred and eighty (180) days prior written notice. Such notice to be provided in accordance with Section 18.
- b) Cancellation by the Municipality: In the event that the Municipality decides to terminate this Transit Service Agreement for any reason whatsoever, and by extension the Annual Operating Agreement, the Municipality shall provide at least one hundred and eighty (180) days prior written notice. Such notice to be provided in accordance with Section 18.

SECTION 7: MUNICIPAL RESPONSIBILITIES

In accordance with the terms and provisions of this Agreement, and the *British Columbia Transit Act*, and regulations made pursuant to the Act, the Municipality shall be responsible for:

- a) Participating in the development of, and where in agreement approving, plans and amendments to the Public Passenger Transportation System including:
 - i. Determining service goals, levels and objectives for the Public Passenger Transportation System;
 - ii. Establishing service performance standards and guidelines for the System;
 - iii. Approving transit service plans and, where feasible, incorporating these plans into Official Community Plans and transportation plans for the Municipality;
 - iv. Approving bus routes;
 - v. Approving the Service Specifications prepared by the Authority consistent with operating and capital budgets set by the Authority; and
 - vi. Approving, after prior consultation with the Authority, requests for Special Transit Services in accordance with the policies and procedures developed by the Authority and the contingency budget provisions or as otherwise agreed to by parties for the payment of the Special Transit Services.
- b) Bus stops, shelters and related amenities including:
 - i. Approving, installing and maintaining bus stops, shelters and related amenities. The purchasing of materials, installation and maintenance of stops and shelters and related costs are the responsibility of the Municipality except in instances where the Authority has, by a separate written agreement entered into with the Municipality, agreed to share the costs according to the terms of that agreement;
 - ii. Identifying bus stops or shelters with signs and decals provided by the Authority and consistent with the Authority's brand standards; and
- c) Notifying the Operating Company and the Authority at least 48 hours in advance of any scheduled or anticipated street closures or traffic disruptions affecting transit service; develop alternate routings in consultation with the Operating Company; and ensure that adequate signage is posted along affected portions of routes.
- d) Establishing on streets, over which the Municipality has direction and control, or where appropriate, work with other jurisdictions to establish, necessary traffic control by-laws and transit priority measures;
- e) With respect to System Revenues:
 - i. Participating in the development of, and where in agreement, approving tariff and Fares including the terms and conditions applicable to each Fare category and amending this Fare structure in whole or in part from time to time;
 - ii. Depositing system revenues received from the Operating Company.
 - iii. Submitting a completed "Report of Revenue" form, supplied by the Authority, within 10 working days of the end of each month showing all system revenues collected on a monthly basis.
- f) With respect to budgets and payment:
 - i. Approving annual budgets consistent with the Service Specification and the Authority's budgets;
 - ii. Paying the amounts owing to the Authority on a monthly basis as invoiced by the Authority in accordance with the budget provided in the Annual Operating Agreement;
 - iii. Where requested by the Authority, the Municipality shall determine its administration costs relative to its responsibilities. Payment for these costs

- shall not exceed 2% of the Direct Operating Costs provided in the budget provided in the Annual Operating Agreement;
- g) Supporting the sustainability of the Public Passenger Transportation System by:
 - i. Taking into consideration the impacts on transit service effectiveness when making local land use decisions;
 - ii. Promoting the use of the Public Passenger Transportation System.
 - h) Notifying the Operating Company and the Authority of any customer complaints or concerns received by the Municipality;
 - i) The Municipality may negotiate and enter into Community Transit Partnership Agreements only with prior written approval from the Authority; and,
 - j) The Municipality agrees that the Authority will be the primary spokesperson for transit operational issues relating to the Public Passenger Transportation System and will cooperate when necessary to ensure accurate and effective public communications.

SECTION 8: AUTHORITY RESPONSIBILITIES

The Authority shall:

- a) Set the annual operating and capital budgets for all transit services in the Transit Service Area following consultation with the Municipality;
- b) Provide the personnel required to develop and implement transit service plans, fare tariffs and marketing programs for the Transit Service Area;
- c) Administer and manage the activities of the operating company with respect to the services provided under this agreement, including:
 - i. Conducting financial and service audits of the Public Passenger Transit System; and
 - ii. Monitor the Transit Services provided in the Transit Service Area and report and make recommendations to the Municipality with respect to the standards of service and performance of the public transportation systems
- d) Institute marketing programs for transit service in the Transit Service Area, including:
 - i. In consultation with the Municipality, providing public information, marketing and communications services consistent with the budget established in the Annual Operating Agreement and the Authority's branding standards to promote the Public Passenger Transportation System, and
 - ii. Ensuring that the Municipality's respective corporate graphic standards are met in local promotions and communications.
- e) In accordance with the terms and provisions of this Agreement, and the *British Columbia Transit Act* and relevant *Regulations*, the Authority shall be responsible for providing and directing the Shared Services Resources for managing the Operating Company's overall delivery of Transit Services at all times during the term of this Agreement including:
 - i. Negotiating and entering into operating and all other contracts related to public transit or required by the British Columbia Transit Act;
 - ii. Ensuring that the agreement entered into with the Operating Company names the Municipality among the indemnified parties from any suit, claim, loss, damage, injury of any nature or kind whatsoever arising out of or connected with the Transit Service provided by the Operating Company;
 - iii. Establishing customer service practices and procedures; and
 - iv. Conducting any inspections and audits the Authority deems necessary of the Operating Company, Transit Services, Revenue Service Vehicles, Premises and other Physical Assets.
- f) Develop policies and procedures for the delivery of the Transit Services including:

- i. Prescribing Registered User eligibility criteria and developing procedures and policies to be used by the Operating Company for the assessment and registration of Eligible Users for Custom Transit Services; and
 - ii. Developing procedures and policies for the delivery of Extra Services.
- g) Plan, prepare and implement the Transit Services including:
 - i. Providing Public Passenger Transportation System marketing in accordance with Section 8(d) of this agreement;
 - ii. Ensuring that the terms and conditions of the transit advertising agreement between the Authority and the advertising contract company are met, and that the designated revenues generated by this contract are credited to the Municipality;
 - iii. Negotiating the terms of the Provincial BC Bus Pass and ensuring that the designated revenue is credited to the Municipality;
 - iv. Providing to the Municipality on a periodic basis reports which will specify:
 - 1) The actual costs of service compared to the budgeted costs specified in the Annual Operating Agreement;
 - 2) The revenue accrued to date, including farebox and other transit revenue (obtained from the Municipality or credited to the Municipality) compared to the budgeted revenue amount; and
 - 3) The annual performance summary of the service compared to the service standards established by the Municipality as outlined in Schedule "C".
- h) Determining and providing the Revenue Service Vehicles, Premises and other Physical Assets required by the Operating Company for the provision of the Transit Services pursuant to lease or license agreements with the Authority and monitor the use, maintenance and conditions of such Revenue Service Vehicles, Premises and Physical Assets;
- i) Provide to the Municipality full contact information for the Operating Company, so that the Municipality may fulfill all obligations under this agreement and/or the Annual Operating Agreement with respect to providing notice to the Operating Company;
- j) Exercise its authority as primary spokesperson for transit operational issues relating to the Public Passenger Transportation System in a manner which does not interfere with the authority of the Municipality to communicate with the public with respect to local public transportation issues; and,
- k) The Authority shall receive and review any and all proposals from the Municipality to enter into a Community Transit Partnership Agreement and, if acceptable to the Authority, provide its prior written approval of such Community Transit Partnership Agreement, such approval not to be unreasonable withheld by the Authority.
- l) The Authority, throughout the term of this Agreement, shall ensure that an insurance structure is in place that provides coverage to the Municipality for commercial general liability insurance covering the operation of the Public Passenger Transportation System on an occurrence basis in an amount not less than Twenty-Five Million Dollars (\$25,000,000) and third party liability resulting from bus accidents up to Twenty-Five Million Dollars (\$25,000,000). Any policy taken out by the Authority or required to be taken out by the Operating Company for these purposes shall include the Municipality as an additional insured party and further, the policy shall apply in the same manner and to the same extent as if a separate policy was issued to the Municipality; and,
- m) The Authority, in its sole discretion, reserves the right to self-insure part or all of the insurance requirements specified in Section 8(l).

SECTION 9: FUNDING AGREEMENT

The Municipality and the Authority agree to contribute their respective portion of the annual cost of the Public Passenger Transportation System as prescribed in the Annual Operating Agreement.

SECTION 10: CAPITAL AND OPERATING EXPENDITURES

Nothing in this agreement shall be construed as committing the Authority or the Municipality to incur capital or operating expenditures for equipment, facilities or otherwise, within the Transit Service Area unless the same shall be contained within the approved budget of British Columbia Transit.

SECTION 11: FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY ACT

This Agreement and the parties hereto are subject to the provisions of the Freedom Of Information And Protection Of Privacy Act ("FOIPPA"). Any information developed in the performance of this Agreement, or any personal information obtained, collected, stored pursuant to this Agreement, including database information, shall be deemed confidential and subject to the provisions of the FOIPPA including the handling, storage, access and security of such information. Confidential information shall not be disclosed to any third party except as expressly permitted by the Authority or pursuant to the requirements of the FOIPPA.

SECTION 12: AMENDMENT

This agreement may only be amended in writing signed by the Municipality and the Authority and specifying the effective date of the amendment.

SECTION 13: SETTLEMENT OF DISPUTES

In the event of any dispute arising between or among the parties as to their respective rights and obligations under this Agreement, or in the event of a breach of this Agreement, the parties agree to use their best efforts to find resolution through a mediated settlement. However, in the event that mediation is not successful in finding a resolution satisfactory to all parties involved, any party shall be entitled to give to the other notice of such dispute and to request arbitration thereof; and the parties may, with respect to the particular matter then in dispute, agree to submit the same to a single arbitrator in accordance with the applicable statutes of the Province of British Columbia.

SECTION 14: ENUREMENT

This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors.

SECTION 15: ASSIGNMENT

This Agreement shall not be assignable without prior written consent of the parties.

SECTION 16: GOVERNING LAW

This Agreement is governed by and shall be construed in accordance with the laws of the Province of British Columbia, with respect to those matters within provincial jurisdiction, and in

accordance with the laws of Canada with respect to those matters within the jurisdiction of the government of Canada.

SECTION 17: COUNTERPARTS

This contract and any amendment hereto may be executed in counterparts, each of which shall be deemed to be an original and all of which shall be considered to be one and the same contract. A signed facsimile or .pdf copy of this contract, or any amendment, shall be effective and valid proof of execution and delivery.

SECTION 18: NOTICES AND COMMUNICATIONS

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 designated officer of the parties hereto to whom it is addressed or if mailed by prepaid registered mail to the Authority at:

BRITISH COLUMBIA TRANSIT
c/o President & CEO
P.O. Box 610
520 Gorge Road East
Victoria, British Columbia V8W 2P3

and to the Municipality at:

Comox Valley Regional District
c/o CAO
600 Comox Road
Courtenay, BC V9N 3P6

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

IN WITNESS WHEREOF, the parties have hereunto set their hand this ____ day of _____,
20____.

COMOX VALLEY REGIONAL DISTRICT

BRITISH COLUMBIA TRANSIT

PRESIDENT & CEO

CORPORATE SECRETARY

SCHEDULE "A": DEFINITIONS

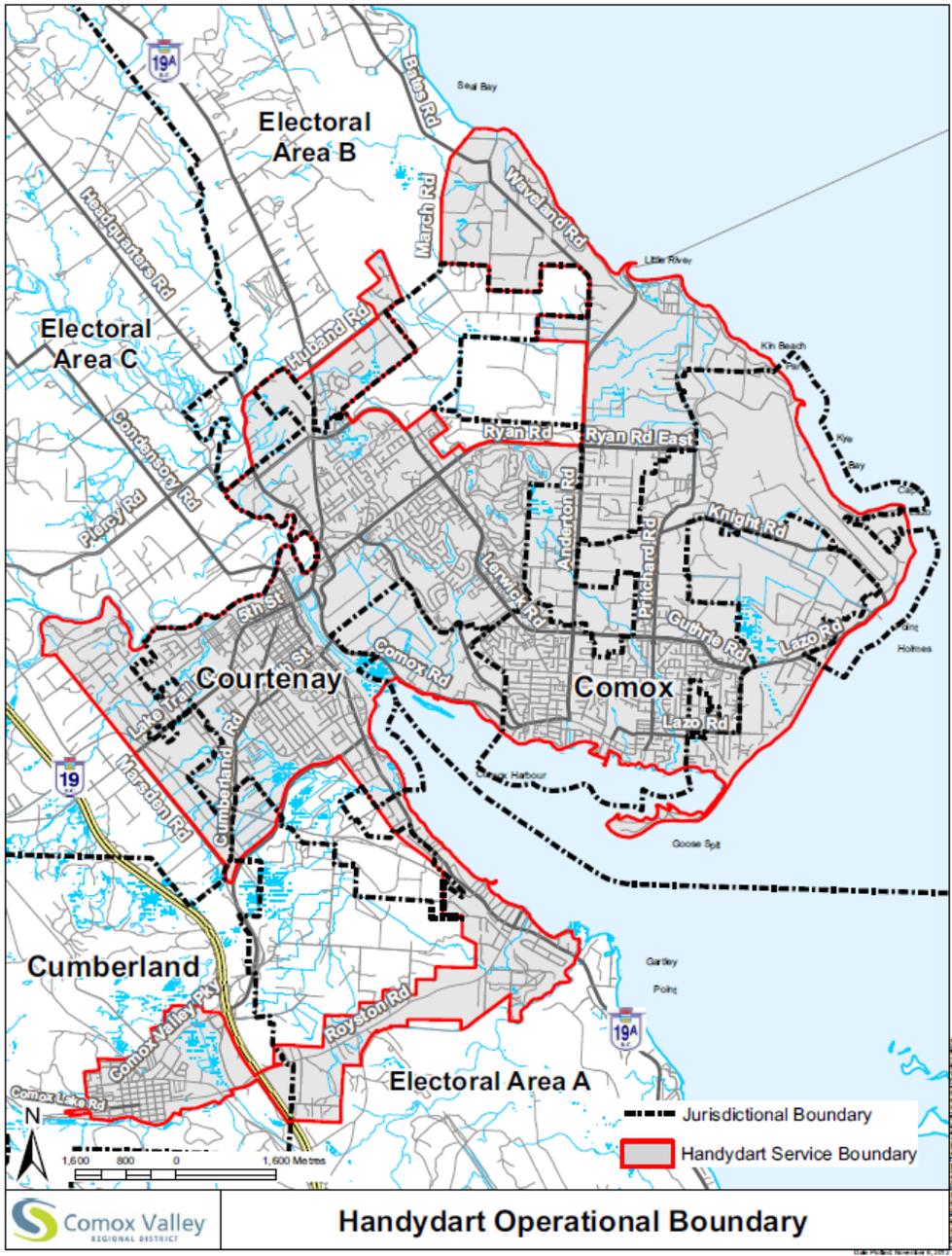
- a) **“Annual Operating Agreement”** means the Annual Operating Agreement and all attached schedules negotiated and entered into on a periodic basis pursuant to the *British Columbia Transit Act*, between the parties hereto this Transit Service Agreement;
- b) **“Attendant”** means a person whose presence is essential to the Registered User to enable the Registered User to physically use the service and whose origin and destination are the same as the Registered User;
- c) **“Community Transit Partnership Agreement”** means a partnership agreement entered into by the Municipality and a third party pursuant to Section 7(i) and Section 8(k), whereby the third party agrees to pay a fee to the Municipality in order to fund certain services provided under the Service Specifications;
- d) **“Companion” or “Escort”** means a person who accompanies the Registered User but whose presence is not essential to the Registered User to physically use the service and whose origin and destination are the same as the Registered User;
- e) **“Conventional Transit Services”** shall mean services and facilities operated by or for a Public Passenger Transportation System to transport persons on specified fixed routes and schedules using public streets or thoroughfares, but does not include Custom Transit Services or Paratransit Services;
- f) **“Custom Transit Services”** shall mean services and facilities operated or provided by a Public Passenger Transportation System for on demand point to point transportation of any Registered User;
- g) **“Direct Operating Costs”** means the sum of the Fixed Costs and Variable Costs of service, maintenance and other costs of service, where:
 - i. **“Fixed Costs”** means items of cost that may be reasonably and conveniently identified with the overall service but which cannot be directly assigned to a unit of service such as hours or kilometres of service. Items of cost will exclude the cost of items which are normally capitalized but may include appropriate charges for depreciation of capital assets or the leasing of capital assets. The use of the term Fixed Costs does not mean that some items of cost included will not vary depending on service requirements;
 - ii. **“Variable Costs”** means items of cost which may be reasonably and conveniently identified and allocated to a specific unit of service such as hours or kilometres of service;
 - iii. **“Maintenance Costs”** means parts and materials, sublet and labour costs of a qualified licensed mechanic for the maintenance of the Revenue Service Vehicles, but shall not include costs associated with interior and exterior transit advertising signs and non-mechanical servicing of Revenue Service Vehicles such as fuelling, clearing fareboxes, cleaning and painting wheel rims, vehicle washing and other work performed by a serviceman; and,
 - iv. **“Other Costs”** shall include but not be limited to vehicle insurance costs, incurred by the Authority and Operating Company, contingency costs, taxi program costs (if applicable);
- h) **“Eligible User”** means any person who is deemed eligible to use Custom Transit Services as defined in Section 11 of the *British Columbia Transit Act* Regulations.
- i) **“Extra Service”** means Overloads or Special Transit Service;
- j) **“Fare”** means an entitlement to ride upon the services of the Public Passenger Transportation System;
- k) **“FOIPPA”** means the Freedom of Information and Protection of Privacy Act and Regulations (British Columbia);
- l) **“Municipality”** includes a regional district or part of a regional district;

- m) **“Operating Company”** means:
- i. the company, companies or person contracted by the Authority to operate and manage the Public Passenger Transportation System within the Transit Service Area, or
 - ii. a person designated by the minister to contract with the Authority with respect to the operation by that person of a Public Passenger Transportation System in the Transit Service Area;
- n) **“Overloads”** means additional Revenue Service Vehicles operating on specified routes to cope with ridership demands which cannot be served by the regularly scheduled service;
- o) **“Paratransit Services”** shall mean services and facilities operated or provided by a Public Passenger Transportation System offering more flexible service than Conventional Transit Services. Paratransit Service is a blend of Conventional Transit Services and Custom Transit Services providing service to able bodied transit passengers as well as Registered Users using the same Revenue Service Vehicles that deviate periodically from their fixed route and fixed schedules to provide on demand point to point service;
- p) **“Physical Assets”** other than revenue service vehicles, means any land, buildings, equipment or other items of a material nature which for accounting purposes are considered to contribute to delivery of Transit Services for a period exceeding one fiscal year;
- q) **“Premises”** means the lands, buildings and equipment owned or leased by the Authority and used in the provision of the Public Passenger Transportation System;
- r) **“Public Passenger Transportation System”** means a public transit system as prescribed by the *British Columbia Transit Act*;
- s) **“Registered User”** means an Eligible User who has satisfied certification and registration requirements established by the Authority to allow them to use Custom Transit Services;
- t) **“Revenue Hours”, “Revenue Kilometres”** means those units of service that are actually offered to the public as reflected in the public timetable and set out in the Service Specification, including lay over time between trips;
- u) **“Service Specifications”** means a detailed description of the Public Passenger Transportation System;
- v) **“Shared Services Resources”** means the management, planning, financial, procurement, fleet and maintenance management, contract and performance management, marketing, environmental, safety, training and other services and resources provided by the Authority to support the Public Passenger Transportation System;
- w) **“Special Transit Service”** means infrequent and temporary service provided within the Transit Service Area for specific events or purposes beyond the Revenue Hours outlined in the Service Specifications. Special Transit Services will not exceed the boundaries of the ICBC coverage unless written permission is given in advance by the Municipality and the Authority;
- x) **“Statutory Holidays”** means New Year’s Day, Family Day, Good Friday, Victoria Day, Canada Day, B.C. Day, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day and Boxing Day and/or any other days that may be gazetted as being a holiday in and for the Province of British Columbia;
- y) **“System Revenues”** means the revenue of the Public Passenger Transportation System and includes revenue from farebox, revenue from sale of passes and tickets, revenue from advertising contracts and any other Fare related revenue accruing from the operation of the Public Passenger Transportation System pursuant to this Agreement;

- z) **“Taxi Saver”** means a custom transit program that provides a direct subsidy in the form of taxi saver coupons to Registered Users;
- aa) **“Transit Services”** includes without limitation any activity related to the provision of the Public Passenger Transportation System, whether conducted directly or indirectly by the Operating Company or its agents, affiliates, subsidiaries, contractors or representatives, to operate, maintain, repair or store vehicles, equipment or infrastructure and conduct any related environmental and waste management measures and includes Conventional, Custom and Paratransit Transit Services;
- bb) **“Taxi Supplement”** A portion of Custom Transit Service in which the operating company dispatches taxis in the same shared-ride manner as regular custom transit vehicles in accordance with the Service Specifications; and,
- cc) **“Transit Service Area”** means the boundaries of the Transit Services as defined in Schedule “B” of this Agreement.

SCHEDULE "B": TRANSIT SERVICE AREA

The boundaries of the Comox Valley Transit Service Area shall be as described in the Comox Valley Regional District's Bylaw No. 1225 being "Comox Valley Transit Service Local Service Establishment Bylaw, 1990" as amended from time to time. The handydart service will only be operated within the map below.



SCHEDULE "C": SERVICE STANDARDS

The service standards established for the Comox Valley Transit System are to be reviewed, confirmed and incorporated into this schedule at a future date in accordance with Section 12 of this Agreement to satisfy the requirements of Section 8(g)iv(3).

COMOX VALLEY

ANNUAL OPERATING AGREEMENT

between

COMOX VALLEY REGIONAL DISTRICT

and

BRITISH COLUMBIA TRANSIT

Effective

April 1, 2017

INFORMATION CONTAINED IN THIS AGREEMENT IS SUBJECT TO THE FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY ACT. CONSULT WITH THE AUTHORITY PRIOR TO RELEASING INFORMATION TO INDIVIDUALS OR COMPANIES OTHER THAN THOSE WHO ARE PARTY TO THIS AGREEMENT.

ANNUAL OPERATING AGREEMENT

BETWEEN:

COMOX VALLEY REGIONAL DISTRICT

(the "Municipality")

AND:

BRITISH COLUMBIA TRANSIT

(the "Authority")

WHEREAS the Authority is authorized to contract for transit services for the purpose of providing and maintaining those services and facilities necessary for the establishment, maintenance and operation of a public passenger transportation system in the Transit Service Area;

WHEREAS the Municipality is authorized to enter into one or more agreements with the Authority for transit services in the Transit Service Area;

WHEREAS the parties hereto have entered into a Transit Service Agreement which sets out the general rights and responsibilities of the parties hereto;

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

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

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

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SECTION 1: DEFINITIONS

Unless agreed otherwise in the Annual Operating Agreement, the definitions set out in the Transit Service Agreement shall apply to this Annual Operating Agreement including:

- a) "Annual Operating Agreement" shall mean this Annual Operating Agreement and any Annual Operating Agreement Amendments negotiated and entered into by the parties subsequent hereto;
- b) "Transit Service Agreement" shall mean the Transit Service Agreement between the parties to this Annual Operating Agreement, including any amendments made thereto;

SECTION 2: INCORPORATION OF SCHEDULES

All schedules to this agreement are incorporated into the agreement, and form part of the agreement.

SECTION 3: INCORPORATION OF TRANSIT SERVICE AGREEMENT

Upon execution, this Annual Operating Agreement shall be deemed integrated into the Transit Service Agreement and thereafter the Transit Service Agreement and 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.

SECTION 4: TERM AND RENEWAL

- a) The parties agree that the effective date of this agreement is to be April 1, 2017, whether or not the agreements have been fully executed by the necessary parties. Once this agreement and the associated Transit Service Agreement are duly executed, this agreement will replace all provisions in the existing Transit Service Agreement and Master Operating Agreement with respect to the rights and obligations as between the Authority and the Municipality.
- b) Upon commencement in accordance with Section 4(a) of this agreement, the term of this agreement shall be to March 31, 2018 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 Transit Service Agreement shall likewise be so terminated or not renewed, as the case may be.
- c) Either party may terminate this agreement as follows:
 - a. Cancellation by the Authority: In the event that the Authority decides to terminate this Agreement for any reason whatsoever, the Authority shall provide at least one hundred and eighty (180) days prior written notice. Such notice to be provided in accordance with Section 10.
 - b. Cancellation by the Municipality: In the event that the Municipality decides to terminate this Transit Service Agreement for any reason whatsoever, and by extension the Annual Operating Agreement, the Municipality shall provide at least one hundred and eighty (180) days prior written notice. Such notice to be provided in accordance with Section 10.

SECTION 5: FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY ACT

This Agreement and the parties hereto are subject to the provisions of the *Freedom Of Information And Protection Of Privacy Act* ("FOIPPA"). Any information developed in the performance of this Agreement, or any personal information obtained, collected, stored pursuant

to this Agreement, including database information, shall be deemed confidential and subject to the provisions of the FOIPPA including the handling, storage, access and security of such information. Confidential information shall not be disclosed to any third party except as expressly permitted by the Authority or pursuant to the requirements of the FOIPPA.

SECTION 6: SETTLEMENT OF DISPUTES

In the event of any dispute arising between or among the parties as to their respective rights and obligations under this Agreement, or in the event of a breach of this Agreement, the parties agree to use their best efforts to find resolution through a mediated settlement. However, in the event that mediation is not successful in finding a resolution satisfactory to all parties involved, any party shall be entitled to give to the other notice of such dispute and to request arbitration thereof; and the parties may, with respect to the particular matter then in dispute, agree to submit the same to a single arbitrator in accordance with the applicable statutes of the Province of British Columbia.

SECTION 7: MISCELLANEOUS PROVISIONS

- a) Amendment: This agreement may only be amended in writing signed by the Municipality and the Authority and specifying the effective date of the amendment.
- b) Assignment: This Agreement shall not be assignable without prior written consent of the parties.
- c) Enurement: This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors.
- d) Operating Reserve Fund: In accordance with OIC 594, in fiscal year 2015/16, BC Transit established a Reserve Fund to record, for each local government, the contributions that BC Transit has received but has not yet earned.
 - a. BC Transit will invoice and collect on monthly Municipal invoices based on budgeted Eligible Expenses.
 - b. Any expenditure of monies from the Reserve Fund will only be credited towards Eligible Expenses for the location for which it was collected.
 - c. Eligible Expenses are comprised of the following costs of providing Public Passenger Transportation Systems:
 - i. *For Conventional Transit Service:*
 1. the operating costs incurred in providing Conventional Transit Service excluding interest and amortization;
 2. the amount of any operating lease costs incurred by BC Transit for Conventional Transit Services;
 3. the amount of the municipal administration charge not exceeding 2% of the direct operating costs payable under an Annual Operating Agreement;
 4. an amount of the annual operating costs of BC Transit not exceeding 8% of the direct operating costs payable under an Annual Operating Agreement;
 - ii. *For Custom Transit Service:*
 1. the operating costs incurred in providing Custom Transit Service excluding interest and amortization, but including the amount paid by BC Transit to redeem taxi saver coupons issued under the Taxi Saver Program after deducting from that amount the amount realized from the sale of those coupons;
 2. the amount of any operating lease costs incurred by BC Transit for Custom Transit Service;

3. the amount of the municipal administration charge not exceeding 2% of the direct operating costs payable under an Annual Operating Agreement; and,
 4. an amount of the annual operating costs of BC Transit not exceeding 8% of the direct operating costs payable under an Annual Operating Agreement;
- d. Eligible Expenses exclude the costs of providing third-party 100%-funded services; and,
 - e. BC Transit will provide an annual statement of account of the reserves received and utilized, including any interest earned for each local government.
- e) The parties agree that this agreement is in substantial compliance with all relevant legislative requirements to establish the rights and obligations of the parties as set out in the *British Columbia Transit Act*.

SECTION 8: GOVERNING LAW

This Agreement is governed by and shall be construed in accordance with the laws of the Province of British Columbia, with respect to those matters within provincial jurisdiction, and in accordance with the laws of Canada with respect to those matters within the jurisdiction of the government of Canada.

SECTION 9: COUNTERPARTS

This contract and any amendment hereto may be executed in counterparts, each of which shall be deemed to be an original and all of which shall be considered to be one and the same contract. A signed facsimile or pdf copy of this contract, or any amendment, shall be effective and valid proof of execution and delivery.

SECTION 10: NOTICES AND COMMUNICATIONS

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 designated officer of the parties hereto to whom it is addressed or if mailed by prepaid registered mail to the Authority at:

BRITISH COLUMBIA TRANSIT
c/o President & CEO
P.O. Box 610
520 Gorge Road East
Victoria, British Columbia V8W 2P3

and to the Municipality at:

Comox Valley Regional District
c/o CAO
600 Comox Road
Courtenay, BC V9N 3P6

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

IN WITNESS WHEREOF, the parties have hereunto set their hand this ____ day of _____,
20____.

COMOX VALLEY REGIONAL DISTRICT

BRITISH COLUMBIA TRANSIT

Brian Anderson, Chief Operating Officer
BC TRANSIT

Alan Thomas, Chief Financial Officer
BC TRANSIT

SCHEDULE "A": TARIFF AND FARES

Appendix 1: Tariff Notes

No additional notes required. See Appendix 2 for details.

Appendix 2: Tariff and Fares

Fare Zones:

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

Conventional and Custom/Paratransit

This zone encompasses the City of Courtenay, the Town of Comox, the Village of Cumberland and Electoral Areas "A", "B", and "C". Community Bus service extends to the Cape Lazo/Point Holmes area and Huband Road/Seal Bay area, as defined by Transit/Rider's Guide maps.

Fares:

Conventional Transit Service:

a) Single Cash Fares:	<u>One Zone</u>	
i) Adult/Post-Secondary Student**	\$2.00	
ii) Senior*	\$1.75	
iii) Youth*	\$1.75	
iv) Child 4 and under - Free when accompanied by an adult.		
v) Accessible Transit Attendant - Free		
b) Tickets (sheet of 10):		
i) Adult/Post-Secondary Student**	\$18.00	
ii) Senior/Youth*	\$15.75	
c) Day Pass:	<u>One Zone</u>	
i) Adult/ Post-Secondary Student**	\$4.50	
ii) Senior*	\$4.00	
iii) Youth*	\$4.00	
d) Monthly Pass:	<u>One Zone</u>	<u>Dual Pass***</u>
i) Adult	\$52.00	\$60.00
ii) Senior*	\$42.00	\$50.00
iii) Youth*	\$30.00	\$30.00
iv) Post-Secondary Student**	\$44.00	\$50.00
v) Post-Secondary Student Semester Pass**	\$135.00	\$150.00
e) BC Bus Pass valid for the current calendar year and available through the Government of British Columbia BC Bus Pass Program.		
f) CNIB Identification Card available from the local office of the CNIB.		
g) BC Transit Employee Bus Pass		

*Reduced fare with valid I.D. for persons 65 or over and students in full-time attendance to Grade 12.

**Post-Secondary passes are available to full-time students at participating institutions such as North Island College.

***DUAL PASS (*Effective January 7, 2008*) - valid on the transit systems in both Comox Valley and Campbell River)

Community Bus Service

Adult, Senior & Student	\$2.00
Attendant (needed to help with travel)	Free
Child, 4 and under	Free

Custom Transit Service:

a) Registered User	<u>One Zone</u>	
Companion	\$2.00	
Attendant accompanying registered user	Free	
b) Tickets (10 Trips)	\$18.00	
c) Monthly handyDART Pass	\$52.00	

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

SCHEDULE "B": SERVICE SPECIFICATIONS

Comox Valley Conventional Service:

Scheduled Revenue Service

April to June (Apr 01, 2017 to Jun 30, 2017)									
	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Apr 17, 2017	May 22, 2017
Hrs/Day	95.65	95.65	95.65	95.65	95.65	66.38	17.35	95.65	12.00
Krms/Day	2,684.39	2,684.39	2,684.39	2,684.39	2,684.39	1,861.96	488.07	2,684.39	336.60
July to Sep (Jul 01, 2017 to Sep 04, 2017)									
	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Jul 01, 2017	Aug 07, 2017
Hrs/Day	92.95	92.95	92.95	92.95	92.95	66.38	17.35	48.00	56.00
Krms/Day	2,612.02	2,612.02	2,612.02	2,612.02	2,612.02	1,861.96	488.07	1,346.40	1,570.80
Sep to March (Sep 05, 2017 to Mar 31, 2018)									
	Mon	Tue	Wed	Thu	Fri	Sat	Sun		
Hrs/Day	95.65	95.65	95.65	95.65	95.65	66.38	17.35		
Krms/Day	2,684.39	2,684.39	2,684.39	2,684.39	2,684.39	1,861.96	488.07		

Extra Revenue Service

	Apr. 2017	May, 2017	Jun, 2017	Jul, 2017	Aug, 2017	Sep, 2017	Oct, 2017	Nov, 2017	Dec, 2017	Jan, 2018	Feb, 2018	Mar, 2018
Extra Overload Hours	30.80	30.80	30.80	30.80	30.80	30.80	30.80	30.80	30.80	30.80	30.80	30.80
Extra Overload Kilometres	863.93	863.93	863.93	863.93	863.93	863.93	863.93	863.93	863.93	863.93	863.93	863.93

Adjusted Revenue Service

	Apr. 2017	May, 2017	Jun, 2017	Jul, 2017	Aug, 2017	Sep, 2017	Oct, 2017	Nov, 2017	Dec, 2017	Jan, 2018	Feb, 2018	Mar, 2018

2017/2018 Calendar Specification

Period	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Exceptions	Total	Exception Days
Apr 01, 2017 to Apr 30, 2017	3	4	4	4	3	5	5	2	30	Apr 14, 2017 Good Friday 2017 (Fri)
May 01, 2017 to May 31, 2017	4	5	5	4	4	4	4	1	31	Apr 17, 2017 Easter Monday 2017 (Mon)
Jun 01, 2017 to Jun 30, 2017	4	4	4	5	5	4	4	0	30	May 22, 2017 Victoria Day 2017 (Mon)
Jul 01, 2017 to Jul 31, 2017	5	4	4	4	4	4	5	1	31	Jul 01, 2017 Canada Day 2017 (Sat)
Aug 01, 2017 to Aug 31, 2017	3	5	5	5	4	4	4	1	31	Aug 07, 2017 BC Day 2017 (Mon)
Sep 01, 2017 to Sep 04, 2017	0	0	0	0	1	1	1	1	4	Sep 04, 2017 Labour Day 2017 (Mon)
Sep 05, 2017 to Sep 30, 2017	3	4	4	4	4	4	3	0	26	Oct 09, 2017 Thanksgiving Day 2017 (Mon)
Oct 01, 2017 to Oct 31, 2017	4	5	4	4	4	4	5	1	31	Nov 11, 2017 Remembrance Day 2017 (Sat)
Nov 01, 2017 to Nov 30, 2017	4	4	5	5	4	3	4	1	30	Dec 25, 2017 Christmas Day 2017 (Mon)
Dec 01, 2017 to Dec 31, 2017	3	3	4	4	4	5	5	2	31	Dec 26, 2017 Boxing Day 2017 (Tue)
Jan 01, 2018 to Jan 31, 2018	4	5	5	4	4	4	4	1	31	Jan 01, 2018 New Years Day 2018 (Mon)
Feb 01, 2018 to Feb 28, 2018	3	4	4	4	4	4	4	1	28	Feb 12, 2018 Family Day 2018 (Mon)
Mar 01, 2018 to Mar 31, 2018	4	4	4	5	4	5	4	1	31	Mar 30, 2018 Good Friday (2018) (Fri)
Total	44	51	52	52	50	51	52	13	365	13 Exceptions

Monthly Summary

Month	Conventional Transit						
	Revenue Hours			Revenue Kilometers			
	Scheduled	Extra	Adjusted	Total	Scheduled	Extra	Adjusted
April, 2017	2,236.00	30.80	2,266.80	62,753.56	863.93		63,617.49
May, 2017	2,451.22	30.80	2,482.02	68,793.30	863.93		69,657.23
June, 2017	2,439.22	30.80	2,470.02	68,456.70	863.93		69,320.63
July, 2017	2,352.22	30.80	2,383.02	66,087.01	863.93		66,950.94
August, 2017	2,435.82	30.80	2,466.62	68,435.36	863.93		69,299.29
September, 2017	2,311.60	30.80	2,342.40	64,877.51	863.93		65,741.44
October, 2017	2,360.92	30.80	2,391.72	66,260.38	863.93		67,124.31
November, 2017	2,372.84	30.80	2,403.64	66,594.74	863.93		67,458.67
December, 2017	2,236.00	30.80	2,266.80	62,753.56	863.93		63,617.49
January, 2018	2,439.22	30.80	2,470.02	68,456.70	863.93		69,320.63
February, 2018	2,152.27	30.80	2,183.07	60,403.53	863.93		61,267.46
March, 2018	2,409.95	30.80	2,440.75	67,634.27	863.93		68,498.20
Total	28,197.28	369.60	28,566.88	791,506.62	10,367.16	0.00	801,873.78

Comox Valley Paratransit Service:

Scheduled Revenue Service

17/18 Full Year (Apr 01, 2017 to Mar 31, 2018)								
	Mon	Tue	Wed	Thu	Fri	Sat	Sun	
Hrs/Day	38.00	38.00	38.00	38.00	38.00			
Kms/Day	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Flexible Hours

	Apr, 2017	May, 2017	Jun, 2017	Jul, 2017	Aug, 2017	Sep, 2017	Oct, 2017	Nov, 2017	Dec, 2017	Jan, 2018	Feb, 2018	Mar, 2018
	194.00	194.00	194.00	194.00	194.00	194.00	194.00	194.00	194.00	194.00	194.00	194.00

Extra Revenue Service

	Apr, 2017	May, 2017	Jun, 2017	Jul, 2017	Aug, 2017	Sep, 2017	Oct, 2017	Nov, 2017	Dec, 2017	Jan, 2018	Feb, 2018	Mar, 2018

Adjusted Revenue Service

	Apr, 2017	May, 2017	Jun, 2017	Jul, 2017	Aug, 2017	Sep, 2017	Oct, 2017	Nov, 2017	Dec, 2017	Jan, 2018	Feb, 2018	Mar, 2018

2017/2018 Calendar Specification

Period	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Exceptions	Total	Exception Days
Apr 01, 2017 to Apr 30, 2017	3	4	4	4	3	5	5	2	30	Apr 14, 2017 Good Friday 2017 (Fri)
May 01, 2017 to May 31, 2017	4	5	5	4	4	4	4	1	31	Apr 17, 2017 Easter Monday 2017 (Mon)
Jun 01, 2017 to Jun 30, 2017	4	4	4	5	5	4	4	0	30	May 22, 2017 Victoria Day 2017 (Mon)
Jul 01, 2017 to Jul 31, 2017	5	4	4	4	4	4	5	1	31	Jul 01, 2017 Canada Day 2017 (Sat)
Aug 01, 2017 to Aug 31, 2017	3	5	5	5	4	4	4	1	31	Aug 07, 2017 BC Day 2017 (Mon)
Sep 01, 2017 to Sep 30, 2017	3	4	4	4	5	5	4	1	30	Sep 04, 2017 Labour Day 2017 (Mon)
Oct 01, 2017 to Oct 31, 2017	4	5	4	4	4	4	5	1	31	Oct 09, 2017 Thanksgiving Day 2017 (Mon)
Nov 01, 2017 to Nov 30, 2017	4	4	5	5	4	3	4	1	30	Nov 11, 2017 Remembrance Day 2017 (Sat)
Dec 01, 2017 to Dec 31, 2017	3	3	4	4	5	5	5	2	31	Dec 25, 2017 Christmas Day 2017 (Mon)
Jan 01, 2018 to Jan 31, 2018	4	5	5	4	4	4	4	1	31	Dec 26, 2017 Boxing Day 2017 (Tue)
Feb 01, 2018 to Feb 28, 2018	3	4	4	4	4	4	4	1	28	Jan 01, 2018 New Years Day 2018 (Mon)
Mar 01, 2018 to Mar 31, 2018	4	4	4	5	4	5	4	1	31	Feb 12, 2018 Family Day 2018 (Mon) Mar 30, 2018 Good Friday (2018) (Fri)
Total	44	51	52	52	50	51	52	13	365	13 Exceptions

Monthly Summary

Month	Paratransit								
	Revenue Hours				Revenue Kilometers				
	Scheduled	Extra	Flexible	Adjusted	Total	Scheduled	Extra	Adjusted	Total
April, 2017	684.00		194.00		878.00	0.00			
May, 2017	836.00		194.00		1,030.00	0.00			
June, 2017	836.00		194.00		1,030.00	0.00			
July, 2017	798.00		194.00		992.00	0.00			
August, 2017	836.00		194.00		1,030.00	0.00			
September, 2017	760.00		194.00		954.00	0.00			
October, 2017	798.00		194.00		992.00	0.00			
November, 2017	836.00		194.00		1,030.00	0.00			
December, 2017	722.00		194.00		916.00	0.00			
January, 2018	836.00		194.00		1,030.00	0.00			
February, 2018	722.00		194.00		916.00	0.00			
March, 2018	798.00		194.00		992.00	0.00			
Total	9,462.00	0.00	2,328.00	0.00	11,790.00	0.00	0.00	0.00	

SCHEDULE "C": BUDGET**Comox Valley Conventional Transit**

	Base Budget 2017/2018
Total Revenue	\$654,380
Total Direct Operating Costs	\$2,618,546
Total Operating Costs	\$2,877,142
Total Costs (including Local Government Share of Lease Fees)	\$3,279,016
Net Local Government Share of Costs	\$1,204,013

Comox Valley Para Paratransit

	Base Budget 2017/2018
Total Revenue	\$65,648
Total Direct Operating Costs	\$807,555
Total Operating Costs	\$889,837
Total Costs (including Local Government Share of Lease Fees)	\$1,046,628
Net Local Government Share of Costs	\$398,086

COMOX VALLEY

ANNUAL OPERATING AGREEMENT

between

COMOX VALLEY REGIONAL DISTRICT

and

BRITISH COLUMBIA TRANSIT

Effective

April 1, 2017

(Amendment #1 Effective September 5, 2017)

INFORMATION CONTAINED IN THIS AGREEMENT IS SUBJECT TO THE FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY ACT. CONSULT WITH THE AUTHORITY PRIOR TO RELEASING INFORMATION TO INDIVIDUALS OR COMPANIES OTHER THAN THOSE WHO ARE PARTY TO THIS AGREEMENT.

ANNUAL OPERATING AGREEMENT

BETWEEN:

COMOX VALLEY REGIONAL DISTRICT

(the "Municipality")

AND:

BRITISH COLUMBIA TRANSIT

(the "Authority")

WHEREAS the Authority is authorized to contract for transit services for the purpose of providing and maintaining those services and facilities necessary for the establishment, maintenance and operation of a public passenger transportation system in the Transit Service Area;

WHEREAS the Municipality is authorized to enter into one or more agreements with the Authority for transit services in the Transit Service Area;

WHEREAS the parties hereto have entered into a Transit Service Agreement which sets out the general rights and responsibilities of the parties hereto;

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

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

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

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SECTION 1: DEFINITIONS

Unless agreed otherwise in the Annual Operating Agreement, the definitions set out in the Transit Service Agreement shall apply to this Annual Operating Agreement including:

- a) "Annual Operating Agreement" shall mean this Annual Operating Agreement and any Annual Operating Agreement Amendments negotiated and entered into by the parties subsequent hereto;
- b) "Transit Service Agreement" shall mean the Transit Service Agreement between the parties to this Annual Operating Agreement, including any amendments made thereto;

SECTION 2: INCORPORATION OF SCHEDULES

All schedules to this agreement are incorporated into the agreement, and form part of the agreement.

SECTION 3: INCORPORATION OF TRANSIT SERVICE AGREEMENT

Upon execution, this Annual Operating Agreement shall be deemed integrated into the Transit Service Agreement and thereafter the Transit Service Agreement and 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.

SECTION 4: TERM AND RENEWAL

- a) The parties agree that the effective date of this agreement is to be September 5, 2017, whether or not the agreements have been fully executed by the necessary parties. Once this agreement and the associated Transit Service Agreement are duly executed, this agreement will replace all provisions in the existing Transit Service Agreement and Master Operating Agreement with respect to the rights and obligations as between the Authority and the Municipality.
- b) Upon commencement in accordance with Section 4(a) of this agreement, the term of this agreement shall be to March 31, 2018 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 Transit Service Agreement shall likewise be so terminated or not renewed, as the case may be.
- c) Either party may terminate this agreement as follows:
 - a. Cancellation by the Authority: In the event that the Authority decides to terminate this Agreement for any reason whatsoever, the Authority shall provide at least one hundred and eighty (180) days prior written notice. Such notice to be provided in accordance with Section 10.
 - b. Cancellation by the Municipality: In the event that the Municipality decides to terminate this Transit Service Agreement for any reason whatsoever, and by extension the Annual Operating Agreement, the Municipality shall provide at least one hundred and eighty (180) days prior written notice. Such notice to be provided in accordance with Section 10.

SECTION 5: FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY ACT

This Agreement and the parties hereto are subject to the provisions of the *Freedom Of Information And Protection Of Privacy Act* ("FOIPPA"). Any information developed in the performance of this Agreement, or any personal information obtained, collected, stored pursuant

to this Agreement, including database information, shall be deemed confidential and subject to the provisions of the FOIPPA including the handling, storage, access and security of such information. Confidential information shall not be disclosed to any third party except as expressly permitted by the Authority or pursuant to the requirements of the FOIPPA.

SECTION 6: SETTLEMENT OF DISPUTES

In the event of any dispute arising between or among the parties as to their respective rights and obligations under this Agreement, or in the event of a breach of this Agreement, the parties agree to use their best efforts to find resolution through a mediated settlement. However, in the event that mediation is not successful in finding a resolution satisfactory to all parties involved, any party shall be entitled to give to the other notice of such dispute and to request arbitration thereof; and the parties may, with respect to the particular matter then in dispute, agree to submit the same to a single arbitrator in accordance with the applicable statutes of the Province of British Columbia.

SECTION 7: MISCELLANEOUS PROVISIONS

- a) Amendment: This agreement may only be amended in writing signed by the Municipality and the Authority and specifying the effective date of the amendment.
- b) Assignment: This Agreement shall not be assignable without prior written consent of the parties.
- c) Enurement: This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors.
- d) Operating Reserve Fund: In accordance with OIC 594, in fiscal year 2015/16, BC Transit established a Reserve Fund to record, for each local government, the contributions that BC Transit has received but has not yet earned.
 - a. BC Transit will invoice and collect on monthly Municipal invoices based on budgeted Eligible Expenses.
 - b. Any expenditure of monies from the Reserve Fund will only be credited towards Eligible Expenses for the location for which it was collected.
 - c. Eligible Expenses are comprised of the following costs of providing Public Passenger Transportation Systems:
 - i. *For Conventional Transit Service:*
 1. the operating costs incurred in providing Conventional Transit Service excluding interest and amortization;
 2. the amount of any operating lease costs incurred by BC Transit for Conventional Transit Services;
 3. the amount of the municipal administration charge not exceeding 2% of the direct operating costs payable under an Annual Operating Agreement;
 4. an amount of the annual operating costs of BC Transit not exceeding 8% of the direct operating costs payable under an Annual Operating Agreement;
 - ii. *For Custom Transit Service:*
 1. the operating costs incurred in providing Custom Transit Service excluding interest and amortization, but including the amount paid by BC Transit to redeem taxi saver coupons issued under the Taxi Saver Program after deducting from that amount the amount realized from the sale of those coupons;
 2. the amount of any operating lease costs incurred by BC Transit for Custom Transit Service;

3. the amount of the municipal administration charge not exceeding 2% of the direct operating costs payable under an Annual Operating Agreement; and,
 4. an amount of the annual operating costs of BC Transit not exceeding 8% of the direct operating costs payable under an Annual Operating Agreement;
- d. Eligible Expenses exclude the costs of providing third-party 100%-funded services; and,
 - e. BC Transit will provide an annual statement of account of the reserves received and utilized, including any interest earned for each local government.
- e) The parties agree that this agreement is in substantial compliance with all relevant legislative requirements to establish the rights and obligations of the parties as set out in the *British Columbia Transit Act*.

SECTION 8: GOVERNING LAW

This Agreement is governed by and shall be construed in accordance with the laws of the Province of British Columbia, with respect to those matters within provincial jurisdiction, and in accordance with the laws of Canada with respect to those matters within the jurisdiction of the government of Canada.

SECTION 9: COUNTERPARTS

This contract and any amendment hereto may be executed in counterparts, each of which shall be deemed to be an original and all of which shall be considered to be one and the same contract. A signed facsimile or pdf copy of this contract, or any amendment, shall be effective and valid proof of execution and delivery.

SECTION 10: NOTICES AND COMMUNICATIONS

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 designated officer of the parties hereto to whom it is addressed or if mailed by prepaid registered mail to the Authority at:

BRITISH COLUMBIA TRANSIT
c/o President & CEO
P.O. Box 610
520 Gorge Road East
Victoria, British Columbia V8W 2P3

and to the Municipality at:

Comox Valley Regional District
c/o CAO
600 Comox Road
Courtenay, BC V9N 3P6

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

AMENDMENT #1
Comox Valley
2017/18 Annual Operating Agreement

This will confirm our agreement to amend Schedule “B” – Service Specifications, and Schedule “C” – Budget.

IN WITNESS WHEREOF, the parties have hereunto set their hand this ____ day of _____, 20____.

COMOX VALLEY REGIONAL DISTRICT

BRITISH COLUMBIA TRANSIT

Brian Anderson, Chief Operating Officer
BC TRANSIT

Alan Thomas, Chief Financial Officer
BC TRANSIT

SCHEDULE "A": TARIFF AND FARES

Appendix 1: Tariff Notes

No additional notes required. See Appendix 2 for details.

Appendix 2: Tariff and Fares

Fare Zones:

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

Conventional and Custom/Paratransit

This zone encompasses the City of Courtenay, the Town of Comox, the Village of Cumberland and Electoral Areas "A", "B", and "C". Community Bus service extends to the Cape Lazo/Point Holmes area and Huband Road/Seal Bay area, as defined by Transit/Rider's Guide maps.

Fares:

Conventional Transit Service:

a) Single Cash Fares:	<u>One Zone</u>	
i) Adult/Post-Secondary Student**	\$2.00	
ii) Senior*	\$1.75	
iii) Youth*	\$1.75	
iv) Child 4 and under - Free when accompanied by an adult.		
v) Accessible Transit Attendant - Free		
b) Tickets (sheet of 10):		
i) Adult/Post-Secondary Student**	\$18.00	
ii) Senior/Youth*	\$15.75	
c) Day Pass:	<u>One Zone</u>	
i) Adult/ Post-Secondary Student**	\$4.50	
ii) Senior*	\$4.00	
iii) Youth*	\$4.00	
d) Monthly Pass:	<u>One Zone</u>	<u>Dual Pass***</u>
i) Adult	\$52.00	\$60.00
ii) Senior*	\$42.00	\$50.00
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iv) Post-Secondary Student**	\$44.00	\$50.00
v) Post-Secondary Student Semester Pass**	\$135.00	\$150.00
e) BC Bus Pass valid for the current calendar year and available through the Government of British Columbia BC Bus Pass Program.		
f) CNIB Identification Card available from the local office of the CNIB.		
g) BC Transit Employee Bus Pass		

*Reduced fare with valid I.D. for persons 65 or over and students in full-time attendance to Grade 12.

**Post-Secondary passes are available to full-time students at participating institutions such as North Island College.

***DUAL PASS (*Effective January 7, 2008*) - valid on the transit systems in both Comox Valley and Campbell River)

Community Bus Service

Adult, Senior & Student	\$2.00
Attendant (needed to help with travel)	Free
Child, 4 and under	Free

Custom Transit Service:

a) Registered User	<u>One Zone</u>	
Companion	\$2.00	
Attendant accompanying registered user	Free	
b) Tickets (10 Trips)	\$18.00	
c) Monthly handyDART Pass	\$52.00	

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

SCHEDULE "B": SERVICE SPECIFICATIONS

Comox Valley Conventional Service:

Scheduled Revenue Service

April to June (Apr 01, 2017 to Jun 30, 2017)									
	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Apr 17, 2017	May 22, 2017
Hrs/Day	95.65	95.65	95.65	95.65	95.65	66.38	17.35	95.65	12.00
Krms/Day	2,684.39	2,684.39	2,684.39	2,684.39	2,684.39	1,861.96	488.07	2,684.39	336.60
July to Sep (Jul 01, 2017 to Sep 04, 2017)									
	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Jul 01, 2017	Aug 07, 2017
Hrs/Day	92.95	92.95	92.95	92.95	92.95	66.38	17.35	48.00	56.00
Krms/Day	2,612.02	2,612.02	2,612.02	2,612.02	2,612.02	1,861.96	488.07	1,346.40	1,570.80
Sep to March (Sep 05, 2017 to Mar 31, 2018)									
	Mon	Tue	Wed	Thu	Fri	Sat	Sun		
Hrs/Day	95.65	95.65	95.65	95.65	95.65	66.38	17.35		
Krms/Day	2,684.39	2,684.39	2,684.39	2,684.39	2,684.39	1,861.96	488.07		

Extra Revenue Service

	Apr. 2017	May, 2017	Jun, 2017	Jul, 2017	Aug, 2017	Sep, 2017	Oct, 2017	Nov, 2017	Dec, 2017	Jan, 2018	Feb, 2018	Mar, 2018
Extra Overload Hours	30.80	30.80	30.80	30.80	30.80	30.80	30.80	30.80	30.80	30.80	30.80	30.80
Extra Overload Kilometres	863.93	863.93	863.93	863.93	863.93	863.93	863.93	863.93	863.93	863.93	863.93	863.93

Adjusted Revenue Service

	Apr. 2017	May, 2017	Jun, 2017	Jul, 2017	Aug, 2017	Sep, 2017	Oct, 2017	Nov, 2017	Dec, 2017	Jan, 2018	Feb, 2018	Mar, 2018

2017/2018 Calendar Specification

Period	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Exceptions	Total	Exception Days
Apr 01, 2017 to Apr 30, 2017	3	4	4	4	3	5	5	2	30	Apr 14, 2017 Good Friday 2017 (Fri)
May 01, 2017 to May 31, 2017	4	5	5	4	4	4	4	1	31	Apr 17, 2017 Easter Monday 2017 (Mon)
Jun 01, 2017 to Jun 30, 2017	4	4	4	5	5	4	4	0	30	May 22, 2017 Victoria Day 2017 (Mon)
Jul 01, 2017 to Jul 31, 2017	5	4	4	4	4	4	5	1	31	Jul 01, 2017 Canada Day 2017 (Sat)
Aug 01, 2017 to Aug 31, 2017	3	5	5	5	4	4	4	1	31	Aug 07, 2017 BC Day 2017 (Mon)
Sep 01, 2017 to Sep 04, 2017	0	0	0	0	1	1	1	1	4	Sep 04, 2017 Labour Day 2017 (Mon)
Sep 05, 2017 to Sep 30, 2017	3	4	4	4	4	4	3	0	26	Oct 09, 2017 Thanksgiving Day 2017 (Mon)
Oct 01, 2017 to Oct 31, 2017	4	5	4	4	4	4	5	1	31	Nov 11, 2017 Remembrance Day 2017 (Sat)
Nov 01, 2017 to Nov 30, 2017	4	4	5	5	4	3	4	1	30	Dec 25, 2017 Christmas Day 2017 (Mon)
Dec 01, 2017 to Dec 31, 2017	3	3	4	4	4	5	5	2	31	Dec 26, 2017 Boxing Day 2017 (Tue)
Jan 01, 2018 to Jan 31, 2018	4	5	5	4	4	4	4	1	31	Jan 01, 2018 New Years Day 2018 (Mon)
Feb 01, 2018 to Feb 28, 2018	3	4	4	4	4	4	4	1	28	Feb 12, 2018 Family Day 2018 (Mon)
Mar 01, 2018 to Mar 31, 2018	4	4	4	5	4	5	4	1	31	Mar 30, 2018 Good Friday (2018) (Fri)
Total	44	51	52	52	50	51	52	13	365	13 Exceptions

Monthly Summary

Month	Conventional Transit						
	Revenue Hours			Revenue Kilometers			
	Scheduled	Extra	Adjusted	Total	Scheduled	Extra	Adjusted
April, 2017	2,236.00	30.80	2,266.80	62,753.56	863.93		63,617.49
May, 2017	2,451.22	30.80	2,482.02	68,793.30	863.93		69,657.23
June, 2017	2,439.22	30.80	2,470.02	68,456.70	863.93		69,320.63
July, 2017	2,352.22	30.80	2,383.02	66,087.01	863.93		66,950.94
August, 2017	2,435.82	30.80	2,466.62	68,435.36	863.93		69,299.29
September, 2017	2,311.60	30.80	2,342.40	64,877.51	863.93		65,741.44
October, 2017	2,360.92	30.80	2,391.72	66,260.38	863.93		67,124.31
November, 2017	2,372.84	30.80	2,403.64	66,594.74	863.93		67,458.67
December, 2017	2,236.00	30.80	2,266.80	62,753.56	863.93		63,617.49
January, 2018	2,439.22	30.80	2,470.02	68,456.70	863.93		69,320.63
February, 2018	2,152.27	30.80	2,183.07	60,403.53	863.93		61,267.46
March, 2018	2,409.95	30.80	2,440.75	67,634.27	863.93		68,498.20
Total	28,197.28	369.60	28,566.88	791,506.62	10,367.16	0.00	801,873.78

Comox Valley Paratransit Service:

Comox Valley Para Base Budget Official AOA Amendment # 1 2017/21

Schedule 'B'

Effective Apr 01, 2017

Scheduled Revenue Service

April to August (Apr 01, 2017 to Sep 04, 2017)							
	Mon	Tue	Wed	Thu	Fri	Sat	Sun
Hrs/Day	38.00	38.00	38.00	38.00	38.00		
Kms/Day	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sep to March (Sep 05, 2017 to Mar 31, 2018)							
	Mon	Tue	Wed	Thu	Fri	Sat	Sun
Hrs/Day	38.00	44.20	38.00	44.20	38.00		
Kms/Day	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Flexible Hours

	Apr, 2017	May, 2017	Jun, 2017	Jul, 2017	Aug, 2017	Sep, 2017	Oct, 2017	Nov, 2017	Dec, 2017	Jan, 2018	Feb, 2018	Mar, 2018
	194.00	194.00	194.00	194.00	194.00	194.00	194.00	194.00	194.00	194.00	194.00	194.00

Extra Revenue Service

	Apr, 2017	May, 2017	Jun, 2017	Jul, 2017	Aug, 2017	Sep, 2017	Oct, 2017	Nov, 2017	Dec, 2017	Jan, 2018	Feb, 2018	Mar, 2018
Extra Overload Hours						18.86	18.86	18.86	18.86	18.86	18.86	18.86

Adjusted Revenue Service

	Apr, 2017	May, 2017	Jun, 2017	Jul, 2017	Aug, 2017	Sep, 2017	Oct, 2017	Nov, 2017	Dec, 2017	Jan, 2018	Feb, 2018	Mar, 2018

2017/2018 Calendar Specification

Period	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Exceptions	Total	Exception Days
Apr 01, 2017 to Apr 30, 2017	3	4	4	4	3	5	5	2	30	Apr 14, 2017 Good Friday 2017 (Fri)
May 01, 2017 to May 31, 2017	4	5	5	4	4	4	4	1	31	Apr 17, 2017 Easter Monday 2017 (Mon)
Jun 01, 2017 to Jun 30, 2017	4	4	4	5	5	4	4	0	30	May 22, 2017 Victoria Day 2017 (Mon)
Jul 01, 2017 to Jul 31, 2017	5	4	4	4	4	4	5	1	31	Jul 01, 2017 Canada Day 2017 (Sat)
Aug 01, 2017 to Aug 31, 2017	3	5	5	5	4	4	4	1	31	Aug 07, 2017 BC Day 2017 (Mon)
Sep 01, 2017 to Sep 04, 2017	0	0	0	0	1	1	1	1	4	Sep 04, 2017 Labour Day 2017 (Mon)
Sep 05, 2017 to Sep 30, 2017	3	4	4	4	4	4	3	0	26	Oct 09, 2017 Thanksgiving Day 2017 (Mon)
Oct 01, 2017 to Oct 31, 2017	4	5	4	4	4	4	5	1	31	Nov 11, 2017 Remembrance Day 2017 (Sat)
Nov 01, 2017 to Nov 30, 2017	4	4	5	5	4	3	4	1	30	Dec 25, 2017 Christmas Day 2017 (Mon)
Dec 01, 2017 to Dec 31, 2017	3	3	4	4	5	5	5	2	31	Dec 26, 2017 Boxing Day 2017 (Tue)
Jan 01, 2018 to Jan 31, 2018	4	5	5	4	4	4	4	1	31	Jan 01, 2018 New Years Day 2018 (Mon)
Feb 01, 2018 to Feb 28, 2018	3	4	4	4	4	4	4	1	28	Feb 12, 2018 Family Day 2018 (Mon)
Mar 01, 2018 to Mar 31, 2018	4	4	4	5	4	5	4	1	31	Mar 30, 2018 Good Friday (2018) (Fri)
Total	44	51	52	52	50	51	52	13	365	13 Exceptions

Monthly Summary

Month	Paratransit								
	Revenue Hours				Revenue Kilometers				
	Scheduled	Extra	Flexible	Adjusted	Total	Scheduled	Extra	Adjusted	Total
April, 2017	684.00	0.00	194.00		878.00	0.00			
May, 2017	836.00	0.00	194.00		1,030.00	0.00			
June, 2017	836.00	0.00	194.00		1,030.00	0.00			
July, 2017	798.00	0.00	194.00		992.00	0.00			
August, 2017	836.00	0.00	194.00		1,030.00	0.00			
September, 2017	809.60	18.86	194.00		1,022.46	0.00			
October, 2017	853.80	18.86	194.00		1,066.66	0.00			
November, 2017	891.80	18.86	194.00		1,104.66	0.00			
December, 2017	765.40	18.86	194.00		978.26	0.00			
January, 2018	891.80	18.86	194.00		1,104.66	0.00			
February, 2018	771.60	18.86	194.00		984.46	0.00			
March, 2018	853.80	18.86	194.00		1,066.66	0.00			
Total	9,827.80	132.02	2,328.00	0.00	12,287.82	0.00	0.00	0.00	

SCHEDULE "C": BUDGET**Comox Valley Conventional Transit**

	Base Budget 2017/2018
Total Revenue	\$654,380
Total Direct Operating Costs	\$2,618,546
Total Operating Costs	\$2,877,142
Total Costs (including Local Government Share of Lease Fees)	\$3,279,016
Net Local Government Share of Costs	\$1,204,013

Comox Valley Para Paratransit

	Base Budget 2017/2018
Total Revenue	\$69,652
Total Direct Operating Costs	\$835,384
Total Operating Costs	\$917,666
Total Costs (including Local Government Share of Lease Fees)	\$1,085,789
Net Local Government Share of Costs	\$415,798