



THE CORPORATION OF THE CITY OF VERNON

MEMORANDUM

TO: Patti Bridal, Chief Administrative Officer **FILE:** 8500-16

PC: Terry Barton, Director, Planning & Community Services
Elma Hamming, Director, Financial Services **DATE:** July 31, 2024

FROM: Danielle DeVries, Manager, Transportation

SUBJECT: **BC TRANSIT 2024-2025 ANNUAL OPERATING AGREEMENT**

BC Transit Agreement Background

The Vernon transit system is operated through agreements with BC Transit. The overarching agreement is a Transit Service Agreement (TSA) between the City and BC Transit, which has no expiry date and will only be altered and re-signed when major changes to the transit service occur, or a new service operator is contracted. The current TSA was signed in 2017.

The sub-agreement is an Annual Operating Agreement (AOA) between the City and BC Transit which specifies the overall annual funding commitments to reflect the yearly changes to operating costs. AOAs also set fares, service area, service hours, and holiday service hours and are considered to be integrated into the TSA when signed.

At its In Camera Meeting of April 28, 2014, Council delegated authority to Administration to sign AOAs and subsequently declassified its resolution, as follows:

THAT Council authorize the Mayor and Corporate Officer to sign the Refresh MOA as presented by BC Transit and as attached to the Internal Memorandum dated April 7, 2014 and titled "Renewal of Transit Master Operating Agreements" from the Director of Financial Services;

AND FURTHER, that Council delegate the authority to review, approve, and sign the Annual operating Agreements to Administration.

This authority was delegated to Administration since the funding level and service hours are previously authorized by Council as part of the annual Financial Plan.

2024-2025 BC Transit Annual Operating Agreement

The Vernon 2024-2025 BC Transit AOA (Attachment 1) covers the conventional transit service (Routes 1 to 9) and the custom transit service (handyDART, Taxi Saver, and Taxi Supplement) on behalf of the region, as follows:

- Route 1 – Cost shared with BC Transit and District of Coldstream
- Routes 2 to 9 – Cost shared with BC Transit only

- Custom Transit – Cost shared with BC Transit, District of Coldstream, and Regional District of North Okanagan (RDNO)

Note that routes 60, 61, and 90 are included in a separate AOA held by RDNO and funded by RDNO member jurisdictions, including the City of Vernon, as per their Service Establishment Bylaws (Bylaws 1161 and 2547).

Administration has determined that the updated costs in the Vernon 2024-2025 BC Transit AOA are within the City's approved [2024-2025 Financial Plan](#) (pages 113-116). The City budgeted for Route 10 Middleton Mountain, which was not funded by BC Transit this year. Given this, any unspent funds for 2024 can be redirected into the Transit Reserve by Council Resolution. This will ensure that funds continue to be available for AOA changes, and property taxes are not increased year over year for the same service.

RECOMMENDATION:

THAT Council receive for information the 2024-2025 BC Transit Annual Operating Agreement as attached to the memorandum titled "BC Transit 2024-2025 Annual Operating Agreement" dated July 31, 2024;

AND FURTHER, that Council direct Administration to allocate any unspent 2024 transit budget funds into the Transit Reserve to mitigate BC Transit operating changes compared to budget.

Respectfully submitted:



Danielle DeVries
Manager, Transportation

Attachment 1 – 2024-25 BC Transit Annual Operating Agreement

Approved for the Agenda by the CAO

