

NANAIMO

**ANNUAL OPERATING AGREEMENT
(CONVENTIONAL/CUSTOM)**

Between

THE REGIONAL DISTRICT OF NANAIMO

And

BRITISH COLUMBIA TRANSIT

April 1, 2018

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.

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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).
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, 2018 to March 31, 2019 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 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.
- 5.6 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.

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.

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 _____ 2018.

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.

SCHEDULE "B" – Service Specifications

Nanaimo Regional Base Budget Official AOA

2018/2019

Nanaimo Regional Base Budget Official AOA 2018/2019

Schedule 'B'

Effective Apr 01, 2018

Scheduled Revenue Service

18/19 Apr to Jun (Apr 01, 2018 to Jun 30, 2018)										
	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Apr 02, 2018	May 21, 2018	
Hrs/Day	402.60	408.42	408.42	408.42	408.42	292.96	149.49	292.96	149.49	
Kms/Day	9,899.47	10,048.35	10,048.35	10,048.35	10,048.35	7,116.78	3,794.85	7,116.78	3,794.85	
18/19 Jul to Sep (Jul 01, 2018 to Sep 01, 2018)										
	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Jul 01, 2018	Aug 06, 2018	
Hrs/Day	342.75	348.49	348.49	348.49	348.49	292.96	149.49	149.49	149.49	
Kms/Day	8,427.82	8,568.96	8,568.96	8,568.96	8,568.96	7,116.78	3,794.85	3,794.85	3,794.85	
18/19 Sep to Dec (Sep 02, 2018 to Dec 22, 2018)										
	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Sep 03, 2018	Oct 08, 2018	Nov 11, 2018
Hrs/Day	402.60	408.42	408.42	408.42	408.42	292.96	149.49	149.49	149.49	149.49
Kms/Day	9,899.47	10,048.35	10,048.35	10,048.35	10,048.35	7,116.78	3,794.85	3,794.85	3,794.85	3,794.85
18/19 Dec to Jan (Dec 23, 2018 to Jan 05, 2019)										
	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Dec 26, 2018		
Hrs/Day	342.75	348.49	348.49	348.49	348.49	292.96	149.49	292.96		
Kms/Day	8,427.82	8,568.96	8,568.96	8,568.96	8,568.96	7,116.78	3,794.85	7,116.78		
18/19 Jan to Mar (Jan 06, 2019 to Mar 31, 2019)										
	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Feb 18, 2019		
Hrs/Day	402.60	408.42	408.42	408.42	408.42	292.96	149.49	149.49		
Kms/Day	9,899.47	10,048.35	10,048.35	10,048.35	10,048.35	7,116.78	3,794.85	3,794.85		

Extra Revenue Service

	Apr, 2018	May, 2018	Jun, 2018	Jul, 2018	Aug, 2018	Sep, 2018	Oct, 2018	Nov, 2018	Dec, 2018	Jan, 2019	Feb, 2019	Mar, 2019
Extra Overload Hours	82.22	82.22				127.22	107.22	93.22	139.94	82.22	82.22	82.22
Extra Overload Kilometres	1,726.62	1,726.62				2,671.62	2,251.62	1,957.62	2,938.74	1,726.62	1,726.62	1,726.62

Adjusted Revenue Service

	Apr, 2018	May, 2018	Jun, 2018	Jul, 2018	Aug, 2018	Sep, 2018	Oct, 2018	Nov, 2018	Dec, 2018	Jan, 2019	Feb, 2019	Mar, 2019

2018/2019 Calendar Specification

Period	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Exceptions	Total	Exception Days
Apr 01, 2018 to Apr 30, 2018	4	4	4	4	4	4	5	1	30	Apr 02, 2018 Easter Monday 2018 (Mon)
May 01, 2018 to May 31, 2018	3	5	5	5	4	4	4	1	31	May 21, 2018 Victoria Day 2018 (Mon)
Jun 01, 2018 to Jun 30, 2018	4	4	4	4	5	5	4	0	30	Jul 01, 2018 Canada Day 2018 (Sun)
Jul 01, 2018 to Jul 31, 2018	5	5	4	4	4	4	4	1	31	Aug 06, 2018 BC Day 2018 (Mon)
Aug 01, 2018 to Aug 31, 2018	3	4	5	5	5	4	4	1	31	Sep 03, 2018 Labour Day 2018 (Mon)
Sep 01, 2018 to Sep 01, 2018	0	0	0	0	0	1	0	0	1	Oct 08, 2018 Thanksgiving Day 2018 (Mon)
Sep 02, 2018 to Sep 30, 2018	3	4	4	4	4	4	5	1	29	Nov 11, 2018 Remembrance Day 2018 (Sun)
Oct 01, 2018 to Oct 31, 2018	4	5	5	4	4	4	4	1	31	Dec 25, 2018 Christmas Day 2018 (Tue)
Nov 01, 2018 to Nov 30, 2018	4	4	4	5	5	4	3	1	30	Dec 26, 2018 Boxing Day 2018 (Wed)
Dec 01, 2018 to Dec 22, 2018	3	3	3	3	3	4	3	0	22	Jan 01, 2019 New Years Day 2019 (Tue)
Dec 23, 2018 to Dec 31, 2018	2	0	0	1	1	1	2	2	9	Feb 18, 2019 Family Day 2019 (Mon)
Jan 01, 2019 to Jan 05, 2019	0	0	1	1	1	1	0	1	5	
Jan 06, 2019 to Jan 31, 2019	4	4	4	4	3	3	4	0	26	
Feb 01, 2019 to Feb 28, 2019	3	4	4	4	4	4	4	1	28	
Mar 01, 2019 to Mar 31, 2019	4	4	4	4	5	5	5	0	31	
Total	46	50	51	52	52	52	51	11	365	11 Exceptions

Monthly Summary

Month	Conventional Transit							
	Revenue Hours				Revenue Kilometers			
	Scheduled	Extra	Adjusted	Total	Scheduled	Extra	Adjusted	Total
April, 2018	10,357.37	82.22		10,439.59	254,929.63	1,726.62		256,656.25
May, 2018	10,887.07	82.22		10,969.29	268,058.43	1,726.62		269,785.05
June, 2018	10,616.30	0.00		10,616.30	261,183.13	0.00		261,183.13
July, 2018	9,557.37	0.00		9,557.37	235,252.79	0.00		235,252.79
August, 2018	9,568.85	0.00		9,568.85	235,535.07	0.00		235,535.07
September, 2018	10,104.26	127.22		10,231.48	248,825.01	2,671.62		251,496.63
October, 2018	10,881.25	107.22		10,988.47	267,909.55	2,251.62		270,161.17
November, 2018	10,731.76	93.22		10,824.98	264,114.70	1,957.62		266,072.32
December, 2018	9,996.53	139.94		10,136.47	245,947.10	2,938.74		248,885.84
January, 2019	10,551.97	82.22		10,634.19	259,676.53	1,726.62		261,403.15
February, 2019	9,661.81	82.22		9,744.03	237,913.38	1,726.62		239,640.00
March, 2019	10,765.79	82.22		10,848.01	264,977.98	1,726.62		266,704.60
Total	123,680.33	878.70	0.00	124,559.03	3,044,323.30	18,452.70	0.00	3,062,776.00

Nanaimo Custom Base Budget Official AOA 2018/2019

Schedule 'B'

Effective Apr 01, 2018

Scheduled Revenue Service

18/19 Full Year (Apr 01, 2018 to Mar 31, 2019)								
	Mon	Tue	Wed	Thu	Fri	Sat	Sun	
Hrs/Day	80.00	105.00	102.00	110.00	98.00	20.00	8.00	
Kms/Day	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Flexible Hours

	Apr, 2018	May, 2018	Jun, 2018	Jul, 2018	Aug, 2018	Sep, 2018	Oct, 2018	Nov, 2018	Dec, 2018	Jan, 2019	Feb, 2019	Mar, 2019
	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20

Extra Revenue Service

	Apr, 2018	May, 2018	Jun, 2018	Jul, 2018	Aug, 2018	Sep, 2018	Oct, 2018	Nov, 2018	Dec, 2018	Jan, 2019	Feb, 2019	Mar, 2019

Adjusted Revenue Service

	Apr, 2018	May, 2018	Jun, 2018	Jul, 2018	Aug, 2018	Sep, 2018	Oct, 2018	Nov, 2018	Dec, 2018	Jan, 2019	Feb, 2019	Mar, 2019

2018/2019 Calendar Specification

Period	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Exceptions	Total	Exception Days
Apr 01, 2018 to Apr 30, 2018	4	4	4	4	4	4	5	1	30	Apr 02, 2018 Easter Monday 2018 (Mon)
May 01, 2018 to May 31, 2018	3	5	5	5	4	4	4	1	31	May 21, 2018 Victoria Day 2018 (Mon)
Jun 01, 2018 to Jun 30, 2018	4	4	4	4	5	5	4	0	30	Jul 01, 2018 Canada Day 2018 (Sun)
Jul 01, 2018 to Jul 31, 2018	5	5	4	4	4	4	4	1	31	Aug 06, 2018 BC Day 2018 (Mon)
Aug 01, 2018 to Aug 31, 2018	3	4	5	5	5	4	4	1	31	Sep 03, 2018 Labour Day 2018 (Mon)
Sep 01, 2018 to Sep 30, 2018	3	4	4	4	4	5	5	1	30	Oct 08, 2018 Thanksgiving Day 2018 (Mon)
Oct 01, 2018 to Oct 31, 2018	4	5	5	4	4	4	4	1	31	Nov 11, 2018 Remembrance Day 2018 (Sun)
Nov 01, 2018 to Nov 30, 2018	4	4	4	5	5	4	3	1	30	Dec 25, 2018 Christmas Day 2018 (Tue)
Dec 01, 2018 to Dec 31, 2018	5	3	3	4	4	5	5	2	31	Dec 26, 2018 Boxing Day 2018 (Wed)
Jan 01, 2019 to Jan 31, 2019	4	4	5	5	4	4	4	1	31	Jan 01, 2019 New Years Day 2019 (Tue)
Feb 01, 2019 to Feb 28, 2019	3	4	4	4	4	4	4	1	28	Feb 18, 2019 Family Day 2019 (Mon)
Mar 01, 2019 to Mar 31, 2019	4	4	4	4	5	5	5	0	31	
Total	46	50	51	52	52	52	51	11	365	11 Exceptions

Monthly Summary

Month	Custom Transit								
	Revenue Hours				Revenue Kilometers				
	Scheduled	Extra	Flexible	Adjusted	Total	Scheduled	Extra	Adjusted	Total
April, 2018	2,100.00		3.20		2,103.20	0.00			
May, 2018	2,329.00		3.20		2,332.20	0.00			
June, 2018	2,210.00		3.20		2,213.20	0.00			
July, 2018	2,277.00		3.20		2,280.20	0.00			
August, 2018	2,322.00		3.20		2,325.20	0.00			
September, 2018	2,040.00		3.20		2,043.20	0.00			
October, 2018	2,299.00		3.20		2,302.20	0.00			
November, 2018	2,292.00		3.20		2,295.20	0.00			
December, 2018	1,993.00		3.20		1,996.20	0.00			
January, 2019	2,304.00		3.20		2,307.20	0.00			
February, 2019	2,012.00		3.20		2,015.20	0.00			
March, 2019	2,218.00		3.20		2,221.20	0.00			
Total	26,396.00	0.00	38.40	0.00	26,434.40	0.00	0.00	0.00	0.00

SCHEDULE "C" – Budget

Schedule C

Nanaimo Regional Conventional Transit

	Official AOA 2018/2019
TRANSIT REVENUE	
Farebox Cash	\$1,380,000
Tickets & Passes	\$2,245,820
BC Bus Pass	\$734,248
Advertising	\$20,000
TOTAL REVENUE	\$4,380,068
EXPENDITURES	
Fixed Costs	\$1,002,735
Variable Hourly Costs - Scheduled Service	\$6,744,395
Variable Hourly Costs - Extra Service	\$47,916
Variable Fuel Costs - Scheduled Service	\$53,760
Variable CNG Fuel Costs	\$478,423
Variable Fuel Costs - Extra Service	\$327
Variable Tire Costs - Scheduled Service	\$98,101
Variable Tire Costs - Extra Service	\$594
Fleet Maintenance	\$1,326,864
Major Capital Projects Operating Contingency	\$20,750
Accident Repairs	\$30,000
ICBC Insurance	\$208,233
Excess Insurance	\$109,036
Information Systems	\$132,722
P.S.T.	\$17,404
TOTAL DIRECT OPERATING COSTS	\$10,271,259
Property Maintenance	\$334,217
Training (Education & Seminars)	\$56,566
Marketing	\$80,843
Municipal Administration	\$197,711
BCT Management Services	\$678,131
TOTAL OPERATING COSTS	\$11,618,726
Lease Fees - Vehicles (Local Share)	\$1,943,515
Lease Fees - Land and Buildings (Local Share)	\$5,899
Lease Fees - Equipment (Local Share)	\$170,475
TOTAL LEASE FEES - LOCAL SHARE	\$2,119,888
TOTAL COSTS	\$13,738,614
STATISTICS	
Scheduled Revenue Hours	123,680
Extra Revenue Hours	879
Scheduled Revenue Kilometres	3,044,323
Extra Revenue Kilometres	18,453
Total Passengers	2,900,000
<i>Conventional Passengers</i>	<i>2,900,000</i>
FUNDING	
Total Operating Costs	\$11,618,726
Operating Reserve Required	\$152,000
Local Flex Funded Amount	\$878,000
Total Shareable Operating Costs	\$10,588,726
Local Share Operating Costs	\$5,644,850
Local Flex Funded Amount	\$878,000
Local Share Lease Fees	\$2,119,888
Less: Total Revenue	\$4,380,068
Less: Municipal Administration	\$197,711
Net Municipal Share of Costs	\$4,064,959
Provincial Share of Operating Costs	\$4,943,876
OPERATING RESERVES	
Opening Operating Reserve Balance*	\$1,895,437
Budgeted Operating Costs	\$11,618,726
Forecasted Operating Costs	\$11,618,726
Operating Reserve Required	\$152,000
Ending Operating Reserve Balance	\$1,743,437

* Projected March 31, 2018 balance based on December 31, 2017 forecast.
Final actual balance will be provided by June 2018.

Schedule C

Nanaimo Custom Custom Transit

		Official AOA 2018/2019
TRANSIT REVENUE		
Farebox Cash		\$185,000
TOTAL REVENUE		\$185,000
EXPENDITURES		
Fixed Costs		\$223,141
Variable Hourly Costs - Scheduled Service		\$1,095,844
Variable Fuel Costs - Scheduled Service		\$159,030
Variable Tire Costs - Scheduled Service		\$8,618
Fleet Maintenance		\$163,353
Major Capital Projects Operating Contingency		\$4,404
Accident Repairs		\$5,000
Taxi Supplement		\$25,000
Taxi Saver Program		\$17,578
Taxi Saver Recoveries		-\$11,000
ICBC Insurance		\$20,852
Excess Insurance		\$10,994
Information Systems		\$11,721
P.S.T.		\$5,000
TOTAL DIRECT OPERATING COSTS		\$1,739,534
Property Maintenance		\$1,936
Training (Education & Seminars)		\$3,372
Marketing		\$17,157
Municipal Administration		\$32,176
BCT Management Services		\$112,634
TOTAL OPERATING COSTS		\$1,906,809
Lease Fees - Vehicles (Local Share)		\$238,137
Lease Fees - Land and Buildings (Local Share)		\$778
Lease Fees - Equipment (Local Share)		\$13,785
TOTAL LEASE FEES - LOCAL SHARE		\$252,700
TOTAL COSTS		\$2,159,509
STATISTICS		
Scheduled Revenue Hours		26,434
Total Passengers		67,011
Custom/Para Passengers - Vans		64,301
Custom/Para Passengers - Taxi Supplement		953
Taxi Saver Passengers		1,757
FUNDING		
Total Operating Costs		\$1,906,809
Operating Reserve Required		\$88,633
Local Flex Funded Amount		\$123,984
Total Shareable Operating Costs		\$1,694,192
Local Share Operating Costs		\$564,335
Local Flex Funded Amount		\$123,984
Local Share Lease Fees		\$252,700
Less: Total Revenue		\$185,000
Less: Municipal Administration		\$32,176
Net Municipal Share of Costs		\$723,843
Provincial Share of Operating Costs		\$1,129,857
OPERATING RESERVES		
Opening Operating Reserve Balance*		\$470,998
Budgeted Operating Costs		\$1,906,809
Forecasted Operating Costs		\$1,906,809
Operating Reserve Required		\$88,633
Ending Operating Reserve Balance		\$382,365

SCHEDULE "D" – Payment Schedule**2018/19 Payment****Nanaimo Regional Conventional Transit and Custom Transit****1) Payment Schedule**

The Authority agrees to pay the Operating Company a monthly payment, the amount of which is determined on the following basis:

- a) For Specified Service in Schedule "B":
 - i) \$83,561.25 for Fixed Monthly Payment for conventional transit service; plus
 - ii) \$18,595.10 for Fixed Monthly Payment for custom transit service; plus
 - iii) \$54.53 per Revenue Hour for conventional transit service; plus
 - iv) \$41.46 per Revenue Hour for custom transit service; plus
 - v) \$0.0322 per Revenue Kilometre for tires for conventional transit service.
 - vi) Variable distance costs for fuel as billed, with satisfactory supporting documentation.
 - vii) Custom transit variable distance costs for tires as billed, with satisfactory supporting documentation.
- b) For deleted Fixed Costs as contained in Appendix 3 of this schedule, an amount equal to 1/365 of the Fixed Costs annual amount 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) \$54.53 per Revenue Hour for conventional transit service; plus
 - ii) \$41.46 per Revenue Hour for custom transit service; plus
 - iii) \$0.0322 per Revenue Kilometre for tires for conventional transit service.
 - iv) Variable distance costs for fuel as billed, with satisfactory supporting documentation.
 - v) Custom transit variable distance costs for tires as billed, with satisfactory supporting documentation.
- d) For Maintenance:
 - i) \$49.08 per hour for labour by a licensed mechanic for the maintenance of transit vehicles.
- e) Not applicable.
- 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 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.**

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 September 1, 2017

	<u>Zone 1</u>
a) Single Cash Fares:	
i) Adult	\$2.50
ii) Senior	\$2.50
iii) Youth (6-18 yrs)	\$2.50
iv) University Student	\$2.50
iv) Child 5 or under,	Free when accompanied by an adult.
v) Accessible Transit Attendant,	Free
b) Tickets:	
10 x \$2.50 fares, sold for	\$22.50
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) Day Pass (all ages):	\$5.00
f) Monthly Pass	
i) Adult	\$65.00
ii) University Student**	\$50.00
iii) Senior/Youth	\$40.00
g) University Student Semester Pass	\$170.00

**Passes are available on VIU campus only.

Custom Transit Service:

Effective September 1, 2017

Registered User and Companion:

a) 5 Prepaid Tickets	\$12.50
b) 20 Prepaid Tickets	\$50.00
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.