



April 30, 2025

Darren Marshall
Senior Manager, Transportation Services
Regional District of Nanaimo
6300 Hammond Bay Road, Nanaimo, BC V9T 6N2
dmarshall@rdn.bc.ca

Re: 2025-26 Annual Operating Agreement – Regional District of Nanaimo

Dear Darren,

As we provide you with your 2025-2026 Annual Operating Agreement (AOA), we want to take the opportunity to update you on changes reflected in your agreement and highlight key pieces of information for your consideration.

BC Transit's approved 2025/26 operating budget will enable the continued delivery of safe and reliable public transit service to the more than 130 communities that we serve around the province. Our budget will also support service expansion in a number of transit systems, allowing improvements to service reliability, additional frequency and more capacity for handyDART customers. This investment in public transit across B.C. will help ensure that our customers can access their work, school and community services with an affordable and reliable transportation service that they can rely on.

Increasing ridership, as well as making investments into new and innovative projects to support this growth, will be key objectives for our organization. The introduction of new battery electric buses to our fleet in the coming months will be a significant milestone for BC Transit, while at the same time we pursue a broader fleet acquisition strategy to achieve GHG emissions targets and replace aging vehicles. Our Umo electronic fare collection system will begin offering customers the option of paying by tapping their debit or credit cards. Finally, we will begin to pursue opportunities to expand our OnDemand service to additional communities following a successful pilot program in Kelowna.

The language contained in the Annual Operating Agreement is regularly reviewed and updated to reflect any material changes to our funding model or other special circumstances. You will note that what was previously referred to as *Section 9: Safe Restart Contribution* has been removed as provisions outlined in our agreement with the Province for the Safe Restart Program are no longer in effect.

Finally, a reminder that the information contained in your Detailed AOA budget (which is distributed to you separately from your AOA) includes commercially confidential information from our operating company and is subject to protection afforded by the *Freedom of Information & Protection of Privacy Act*. Any reports to Council or Regional District Boards, or any discussions which may be made within the public realm must be limited to the line items showing Revenues, Total Operating Costs, Total Costs and Total Local Government's Share of Costs. The schedules attached to your Annual Operating Agreement have been modified accordingly.

As required by the Provincial Operating Contribution Agreement, all AOAs must be signed and returned to BC Transit no later than June 30, 2025.

If you have any questions regarding your agreement or the associated budget, please contact me at your earliest convenience so I can provide you with any additional information that you require.

Sincerely,



Seth Wright
Senior Government Relations Manager

Enclosed: 2025-26 Annual Operating Agreement – Regional District of Nanaimo