

# Report to Council



**Date:** February 6, 2017  
**File:** 1405-01  
**To:** City Manager  
**From:** Acting Revenue Manager  
**Subject:** Transit 2016/2017 Amended Annual Operating Agreement

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## **Recommendation:**

THAT Council approve Amendment #1 to the 2016/2017 Annual Operating Agreement for Custom Transit.

## **Purpose:**

To receive Council approval for the amendment to the transit 2016/17 Annual Operating Agreement.

## **Background:**

The Annual Operating Agreement (AOA) is submitted annually by BC Transit to the City of Kelowna in March, and is effective for the period of April 1<sup>st</sup> to March 31<sup>st</sup> of the following year. The AOA is a summary of budgeted revenues and costs within the Kelowna Regional Transit System for BC Transit's fiscal year (March 31<sup>st</sup> yearend).

Each Local Government Partner within the Kelowna Regional Transit System submits the AOA to their Councils for approval. The impacts of the 2016/2017 AOA were included in the City of Kelowna's 2016 Provisional Budget that Council approved in December 2015. However, significant changes to transit service throughout the year within the Kelowna Regional Transit System may require an amendment to the original AOA.

This is a request for the approval of an amendment to the 2016/17 Custom Transit Annual Operating Agreement. The amendment covers the increase of 2,000 hours of handyDART service beginning in September 2016, which was approved by Council in June 2016.

The amendment includes a \$110,699 increase in costs for Custom transit. Operating costs account for \$100,323 of the increase and \$10,376 is related to increased lease fees. BC Transit funds \$66,905 and the Local Governments pay for \$43,794 of the increase. The City of Kelowna's share is \$32,276.

The amendment was received at the City of Kelowna in October 2016 and the 2016 impacts were covered by the existing budget. 2017 impacts were built into the 2017 Provisional Budget Operating Requests that council approved in December 2016.

**Internal Circulation:**

Manager, Integrated Transportation  
Transit and Programs Manager  
Director, Financial Services  
Divisional Director, Infrastructure

**Legal/Statutory Authority:**

Annual Operating Agreement is required to authorize funding for payment of transit contractor.

**Financial/Budgetary Considerations:**

Existing budget provides for these Annual Operating requirements.

**Considerations not applicable to this report:**

**Legal/Statutory Procedural Requirements:**

**Existing Policy:**

**Personnel Implications:**

**External Agency/Public Comments:**

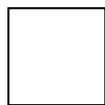
**Communications Comments:**

**Alternate Recommendation:**

Submitted by:

M. Friesen, Acting Revenue Manager

Approved for inclusion:



Genelle Davidson, *Divisional Director, Finance*