

**RESORT MUNICIPALITY OF WHISTLER**

4325 Blackcomb Way TEL 604 932 5535
Whistler, BC Canada V8E 0X5 TF 1 866 932 5535
whistler.ca FAX 604 935 8109

STAFF REPORT TO COUNCIL

PRESENTED: June 21, 2022 **REPORT:** 22-091
FROM: Transit and Transportation Demand Management **FILE:** 529
SUBJECT: RETURN TO TRANSIT UPDATE AND TRANSIT LOYALTY PROGRAM

RECOMMENDATION FROM THE CHIEF ADMINISTRATIVE OFFICER

That the recommendation of the General Manager of Infrastructure Services be endorsed.

RECOMMENDATION(S)

That Council direct staff to implement a Return to Transit Loyalty Program which includes an initial limited period of free transit across the entire Whistler Transit System followed by a targeted sale of long-term transit passes for use in Whistler as outlined in this Administrative Report 22-091; and further,

That Council direct staff to formally request BC Transit and the Ministry of Transportation and Infrastructure allocate a portion of their share of the Whistler Transit System operational cost savings directly related to the Unifor Local 114 transit job action toward:

1. Implementing the Return to Transit Loyalty Program described in this Administrative Report 22-091;
2. Compensate the Resort Municipality of Whistler (RMOW) for missed fare box revenue during the transit strike; and,
3. Provide a leave holiday to the RMOW equivalent to the duration of the transit strike.

PURPOSE OF REPORT

The purpose of this report is to present Council with a proposed option for a Return to Transit Loyalty Program (Loyalty Program), to seek Council's approval to proceed with a Loyalty Program, and to seek direction from Council to formally ask BC Transit to contribute operational savings from the Whistler Transit Service during the Unifor Local 114 job action towards a Loyalty Program and compensation for lost revenue.

☒ Information Report ☒ Administrative Report (Decision or Direction)

DISCUSSION

Background

The Resort Municipality of Whistler (RMOW) has a contract with BC Transit to provide public transit service in Whistler. As of the date of this report, Whistler has been without transit service from January 29, 2022, due to a dispute between BC Transit's contracted service provider, Whistler Transit Ltd. (Employer) and their unionized employees in Unifor Local 114 (Union). On Friday May 27, 2022, the parties reached a tentative agreement. The union members did not ratify the proposed agreement. 32 members voted in favour of the tentative agreement, 36 voted against and 24 members did not vote. On May 31, 2022, the BC Minister of Labour, Harry Bains, appointed Vince Ready as a special mediator in the ongoing labour dispute.

Under the *Labour Relations Code*, a special mediator assists in settling the terms of a collective agreement and reports back to the minister responsible. Mr. Ready was given direction to work with the parties for as long as 10 days to secure a resolution to the ongoing strike. Mr. Ready met with both the Employer and the Union on June 6 and 7. On June 14, 2022, both parties announced they have approved a new collective bargaining agreement. BC Transit is working with the Employer to safely return transit service to Whistler (and other municipalities in the Sea to Sky corridor) as soon as possible.

Planning for the return of the Whistler Transit System was undertaken during the job action, and is well advanced. Details of the work completed to date is summarized below.

Welcome Back to Transit Program

RMOW staff met with BC Transit and staff from other corridor communities to discuss and plan a coordinated "Welcome Back to Transit program" that would have the following objectives:

- Rebuild trust in the system and management of transit
- Welcome back the community to using transit
- Use transit as a means to help us meet our greenhouse gas reduction goals
- Motivate the residents and resort guests to choose transit over single occupancy vehicle options

BC Transit is suggesting a phased approach where they are in charge of the first phase that will focus on awareness to the corridor communities and the transit users. BC Transit will share information about how and when transit service is returning to each community and where to get schedule information. This would be modeled on our usual seasonal service change. BC Transit staff will support efforts to regain ridership due to the pandemic and the transit job action.

In discussions with BC Transit and MOTI, the RMOW has proposed that BC Transit and MOTI provide financial support for the Return to Transit Loyalty Program by allocating a portion of their share of the Whistler Transit System operational cost savings directly related to the transit strike toward:

- 1) Implementing the Return to Transit Loyalty Program as set out below;
- 2) Compensating the RMOW for missed fare box revenue during the transit strike; and,
- 3) Providing a lease holiday to the RMOW equivalent to the duration of the transit strike.

Outline of Proposed Whistler Transit Loyalty Program

RMOW staff have prepared a Loyalty Program option for Council's consideration and follow up discussion with BC Transit.

- Free transit on the Whistler Transit System for up to two weeks to invite riders back to transit and allow time for transit pass vendors to receive their products and re-program pricing.
- Should the two-week period end before the end of the calendar month, anyone that buys a pass for the following calendar month will be able to use their monthly pass for the remainder of the current calendar month.
- Offer a promotion to our transit riders in the form of a Loyalty Program. It would focus on our 1-month, 6-month and 12-month pass holders. The concept is to reward loyalty to the system and build ridership with an increasing level of discount for increased commitment to taking transit. This program would be available for up to four months following the return of the transit service.
 - Monthly passes at 30% off (an additional 9 days for free every month).
 - Adult pass: \$35 instead of \$50
 - Senior/Student pass: \$28 instead of \$40
 - 6-month pass sold at 40% off. Normally a 6-month pass gives you three weeks free and with this discount it would equal eleven weeks for free.
 - Adult: \$162 instead of \$270
 - Spirit: \$132 instead of \$220
 - Senior/Student: \$129 instead of \$215
 - 12-month pass sold at 50% off. Normally a 12-month pass gives you just under two months free and with this discount it would equal six months for free.
 - Adult: \$255 instead of \$510
 - Spirit: \$205 instead of \$410
 - Senior/Student: \$205 instead of \$410

The estimated cost of this proposed Loyalty Program is between \$350,000 and \$450,000 (depending on how many passes are sold) which could be covered by the net savings to the RMOW Municipal Transit Program budget due to the job action from January 29 through June 15 when this report was submitted. See analysis under the Budget Considerations section below.

POLICY CONSIDERATIONS

Relevant Council Authority/Previous Decisions

Under the BC Transit partnership and the BC Transit Act, the Local Government Partner is responsible for approving fares for the Whistler Transit System.

Corporate Plan

The RMOW Corporate Plan is updated annually and articulates strategic direction for the organization. This section identifies how this report links to the plan.

Council Focus Areas

☒ Community Balance

*Effectively **balance resort and community needs** through deliberate planning, partnerships and investment.*

☒ Climate Action

*Provide leadership to **accelerate climate action and environmental performance** across the community*

☐ Housing

*Advance strategic and innovative initiatives to enable and **deliver additional employee housing***

☒ Pandemic Recovery

*Leadership and support for **community and tourism recovery and sustainability** – priority focuses are where recovery needs intersect with other Council focus areas*

☐ Not Applicable

Community Vision and Official Community Plan

The Official Community Plan (OCP) is the RMOW's most important guiding document, and sets the community vision and long-term community direction. This section identifies how this report applies to the OCP.

Goals, Objectives and Policies

There are many goals, objectives, and policies in Whistler's OCP that guide the development of the Whistler Transit System. One overarching statement in the OCP that guides transit's role in the transportation system is Objective 11.4.2 "Make public transit affordable, convenient, safe and enjoyable throughout the year".

BUDGET CONSIDERATIONS

BC Transit staff continue to plan with the local government partners using the current Annual Operating Agreement (AOA) model and funding mechanisms where local governments have the full responsibility for setting tariffs and receiving revenue from fares, and Marketing and Communications programs conducted by BC Transit are a shared AOA expense (46.69% BC Transit and 53.31% Local Government). The local governments receive 100% of the farebox revenue, which is used to off-set some of the 53.31% of AOA costs.

BC Transit has estimated that since the Unifor Local 114 job action started on January 29, 2022, the RMOW has seen a reduction of approximately \$1.4 million in shared operation costs on the February through May 2022 invoices.

However, the RMOW has also experienced \$950,000 in farebox lost revenue as of June 15 (compared to the 2022 RMOW budget amount) and refunds for 6- and 12-month passes since January 29, 2022. Therefore, the net savings to the RMOW transit budget since the job action started is estimated to be \$450,000.

The estimated cost of the proposed Loyalty Program is between \$350,000 and \$450,000, which is less than the estimated net savings to the RMOW Municipal Transit Program budget.

If BC Transit participates financially in the Loyalty Program, the RMOW could extend the length of free transit at the beginning of the return of service and/or improve the discount available to our residents for future transit pass products.

There is approximately \$80,000 in the Transit Agreement Program budget that was initially allocated to transit expansion hours, but now could be used to extend the Loyalty Program by an additional month.

LIL'WAT NATION & SQUAMISH NATION CONSIDERATIONS

The RMOW is committed to working with the Lil'wat People, known in their language as *L'il'wat7úl* and the Squamish People, known in their language as the *Skwxwú7mesh Úxwumixw* to: create an enduring relationship; establish collaborative processes for Crown land planning; achieve mutual objectives; and enable participation in Whistler's resort economy. This section identifies areas where RMOW activities intersect with these relationships.

There are no specific considerations for the recommendation in this report.

COMMUNITY ENGAGEMENT

Level of community engagement commitment for this project:

☒ Inform ☐ Consult ☐ Involve ☐ Collaborate ☐ Empower

The community engagement for the Loyalty Program would be a coordinated effort between BC Transit and the RMOW. As discussed above, BC Transit would lead Phase 1 of the Loyalty Program and the RMOW would support with local messaging through our website, newsletter, social media, newspaper and signage throughout the community.

SUMMARY

Staff recommend that Council approve a Transit Loyalty Program for when transit services return to Whistler, and that staff formally request financial assistance from BC Transit and MOTI to allow the municipality to further compensate our regular transit users for the lack of transit service since January 29, 2022.

SIGN-OFFS

Written by:

Emma DalSanto,
Transportation Demand Management
Coordinator

James Hallisey,
General Manager of Infrastructure Services

Reviewed by:

Virginia Cullen,
Chief Administrative Officer