

ADOPTED THIS THE *19th* DAY OF *April*, 2004, BY A
unanimous DECISION OF ALL MEMBERS OF CITY COUNCIL
PRESENT AND ELIGIBLE TO VOTE.



MAYOR



D/CLERK

ANNUAL OPERATING AGREEMENT

Among

THE CITY OF PRINCE GEORGE

BRITISH COLUMBIA TRANSIT

And

PRINCE GEORGE TRANSIT LTD.

(as agreed to in the MOA)

APRIL 1, 2004 TO MARCH 31, 2005

INFORMATION CONTAINED IN THIS AGREEMENT IS SUBJECT TO THE FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY ACT. CONSULT WITH BC TRANSIT PRIOR TO RELEASING INFORMATION TO INDIVIDUALS OR COMPANIES OTHER THAN THOSE WHO ARE PARTY TO THIS AGREEMENT.

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ANNUAL OPERATING AGREEMENT

BETWEEN: THE CITY OF PRINCE GEORGE
(the "Municipality")

AND: BRITISH COLUMBIA TRANSIT
(the "Authority")

AND: PRINCE GEORGE TRANSIT LTD.
(the "Operating Company")

WHEREAS the Municipality and the Authority are authorized to contract for the provision of a Public Passenger Transportation System and share in the costs of providing same pursuant to the British Columbia Transit Act.

WHEREAS the Operating Company is authorized to operate, manage and maintain a Public Passenger Transportation System within the Prince George 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 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.

SECTION 3 – TERM AND RENEWAL

- 3.1 **Term and Renewal:** The term of this Agreement shall be from April 1, 2004 to March 31, 2005 except as otherwise provided herein. An option for one (1) twelve month extension may also be made upon the approval of BC Transit and the Municipality. 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 so 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 Alternative Funding Arrangements: For the period beginning on April 1, 2004 and ending on March 31, 2005, as authorized under section 18 of the British Columbia Transit Regulation, B.C. Reg. 30/91, the municipality shall contribute 59.25% and the authority shall contribute 40.75% of the amounts required to defray the classes of expenses prescribed in Section 8 (1) (a) (i), (iii) and (iv) of that regulation.

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:

CITY OF PRINCE GEORGE
c/o Manager-Transportation
1100 Patricia Boulevard
Prince George, BC V2L 3V9

and to:

BC Transit
c/o : President & CEO
520 Gorge Road East
Victoria, BC V8W 2P3

and to:

PRINCE GEORGE TRANSIT LTD.
c/o General Manager
1041 Great Street
Prince George, BC V2N 2K8

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

THE CORPORATE SEAL OF THE CITY OF
PRINCE GEORGE has been hereto affixed in the
presence of:

THE COMMON SEAL OF **BRITISH COLUMBIA
TRANSIT** has been hereto affixed in the presence
of:

PRESIDENT AND CEO

CORPORATE SECRETARY

THE CORPORATE SEAL OF **PRINCE GEORGE
TRANSIT LTD.** has been hereto affixed in the
presence of:

SCHEDULE "A" - Transit Service Area Boundaries

The boundaries of the Municipal Transit Service Area shall be defined as follows:

The boundaries of the Prince George Transit Service Area shall be the municipal boundaries of the City of Prince George.

SCHEDULE "B" - Service Specifications
 Prince George Base Budget Official AOA 2004/2005

Schedule 'B'
 Effective Apr 01, 2004

Scheduled Revenue Service

2004 Full Year (Apr 01, 2004 to Mar 31, 2005)							
	Mon	Tue	Wed	Thu	Fri	Sat	Sun
Price/Day	187.73	187.73	187.73	187.73	187.73	187.83	
Price/Day	4,548.43	4,548.43	4,548.43	4,548.43	4,548.43	3,240.99	

Extra Revenue Service

	Apr. 2004	May, 2004	Jun, 2004	Jul, 2004	Aug, 2004	Sep, 2004	Oct, 2004	Nov, 2004	Dec, 2004	Jan, 2005	Feb, 2005	Mar, 2005
Extra School Service Hours	100.00	100.00	100.00	0.00	0.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Extra School Service Kilometers	2,400.00	2,400.00	2,400.00	0.00	0.00	2,400.00	2,400.00	2,400.00	2,400.00	2,400.00	2,400.00	2,400.00

Adjusted Revenue Service

	Apr. 2004	May, 2004	Jun, 2004	Jul, 2004	Aug, 2004	Sep, 2004	Oct, 2004	Nov, 2004	Dec, 2004	Jan, 2005	Feb, 2005	Mar, 2005

2004/2005 Calendar Specification

Period	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Exceptions	Total	Exception Days
Apr 01, 2004 to Apr 30, 2004	4	4	4	4	4	4	4	1	30	Apr 06, 2004 Good Friday 2004 (Fri)
May 01, 2004 to May 31, 2004	4	4	4	4	4	4	5	1	31	May 24, 2004 Victoria Day 2004 (Mon)
Jun 01, 2004 to Jun 30, 2004	4	5	5	4	4	4	4	0	30	Jun 01, 2004 Canada Day 2004 (Thu)
Jul 01, 2004 to Jul 31, 2004	4	4	4	4	4	5	4	1	31	Aug 02, 2004 BC Day 2004 (Mon)
Aug 01, 2004 to Aug 31, 2004	4	5	4	4	4	4	5	1	31	Sep 06, 2004 Labour Day 2004 (Mon)
Sep 01, 2004 to Sep 30, 2004	3	4	4	5	4	4	4	1	30	Oct 11, 2004 Thanksgiving Day 2004 (Mon)
Oct 01, 2004 to Oct 31, 2004	3	4	4	4	5	4	6	1	31	Nov 11, 2004 Remembrance Day 2004 (Thu)
Nov 01, 2004 to Nov 30, 2004	6	6	4	3	4	4	4	1	30	Dec 25, 2004 Christmas Day 2004 (Sat)
Dec 01, 2004 to Dec 31, 2004	4	4	5	5	5	3	3	2	31	Dec 25, 2004 Boxing Day 2004 (Sun)
Jan 01, 2005 to Jan 31, 2005	5	4	4	4	4	4	4	0	31	Jan 01, 2005 New Year's Day 2005 (Sat)
Feb 01, 2005 to Feb 28, 2005	4	4	4	4	4	4	4	0	28	Mar 26, 2005 Good Friday 2005 (Fri)
Mar 01, 2005 to Mar 31, 2005	4	6	6	6	5	3	4	1	31	
Total	48	52	52	51	50	50	51	11	365	11 Exceptions

Monthly Summary

Month	Conventional Transit							
	Scheduled	Revenue Hours Extra	Adjusted	Total	Scheduled	Revenue Kilometers Extra	Adjusted	Total
April, 2004	4,491.86	100.00		4,591.86	104,480.99	2,400.00		110,880.99
May, 2004	4,441.26	100.00		4,541.26	107,173.53	2,400.00		109,573.53
June, 2004	4,879.38	100.00		4,779.38	113,029.42	2,400.00		115,429.42
July, 2004	4,828.98	0.00		4,828.98	111,721.99	0.00		111,721.99
August, 2004	4,491.85	0.00		4,491.85	108,480.99	0.00		108,480.99
September, 2004	4,491.85	100.00		4,591.85	108,480.99	2,400.00		110,880.99
October, 2004	4,441.25	100.00		4,541.25	107,173.55	2,400.00		109,573.55
November, 2004	4,491.85	100.00		4,591.85	108,480.99	2,400.00		110,880.99
December, 2004	4,729.78	100.00		4,829.78	114,336.88	2,400.00		116,736.88
January, 2005	4,491.85	100.00		4,591.85	108,480.99	2,400.00		110,880.99
February, 2005	4,303.92	100.00		4,403.92	104,932.56	2,400.00		107,332.56
March, 2005	4,879.38	100.00		4,779.38	113,029.42	2,400.00		115,429.42
Total	64,362.10	1,000.00	0.00	65,362.10	1,312,803.29	24,000.00	0.00	1,336,803.29

Information severed pursuant to
Section 21(1) of the
 FOI - POP Act

Schedule C
Prince George Conventional

Official AOA
Base Budget
2004/2005

TRANSIT REVENUE	
Farebox Cash	\$429,006
Tickets & Passes	\$306,854
BC Bus Pass	\$122,640
Advertising	\$19,385
TOTAL REVENUE	\$877,885
EXPENDITURES	
Fixed Costs	
Variable Hourly Costs - Scheduled Service	
Variable Hourly Costs - Extra Service	
Variable Distance Costs - Scheduled Service	
Variable Distance Costs - Extra Service	
Maintenance - Running Repairs	\$354,253
Maintenance - Major Repairs	\$86,000
Contingency	\$10,000
ICBC Insurance	\$65,018
Fleet Insurance	\$15,113
Information Systems	\$10,000
G.S.T.	\$95,710
TOTAL DIRECT OPERATING COSTS	\$3,366,166
Marketing	\$22,439
Municipal Administration	\$67,323
BCT Administration	\$191,480
TOTAL OPERATING COSTS	\$3,647,408
Debt Service - Vehicles (Local Share)	\$416,579
Debt Service - Equipment (Local Share)	\$31,761
TOTAL DEBT SERVICE - LOCAL SHARE	\$448,340
TOTAL COSTS	\$4,095,748
COST SHARING	
Municipal Share of Costs	\$2,609,300
Less: Total Revenue	\$877,885
Less: Municipal Administration	\$67,323
Net Municipal Share of Costs	\$1,664,092
Authority Share of Costs	\$1,486,448
STATISTICS	
Scheduled Revenue Hours	54,362.19
Extra Revenue Hours	1,000.00
Scheduled Revenue Kilometres	1,312,802.29
Extra Revenue Kilometres	24,000.00
Total Passengers	850,000
<i>Conventional Passengers</i>	<i>850,000</i>

Schedule "D" - Payment Schedule**Prince George Conventional Transit
2004/2005 AOA BUDGET****1) Payment Schedule**

The Authority agrees to pay the Operating Company a monthly payment on the following basis:

a) for Specified Service in Schedule "B":

- i) for Fixed Monthly Payment; plus
- ii) per Revenue Hour; plus
- iii) per Revenue Kilometre;

b) for Deleted Fixed Costs as outlined in Section 6 (2), an amount equal to 1/365 of the Fixed Monthly Costs amount contained in Schedule "C" 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) per Revenue Hour; plus
 - ii) per Revenue Kilometre;
- with allowance for wage premium payments (up to 1.5 times the regular Revenue Hour payment), if applicable, when service is added beyond the regular hours of operation.

d) for Maintenance:

- i) per hour for labour by a licensed mechanic for the maintenance of transit vehicles.

e) for fuel costs, in the event diesel fuel costs should exceed \$0.4981 / litre a payment will be made in accordance with Section 6 (3) of this agreement to compensate the Operating Company for the actual cost of all diesel fuel consumed to a maximum of _____ litres for Scheduled Revenue Kilometres in Schedule "B". This maximum number of litres will be adjusted in proportion to Extra or Deleted Revenue Service Kilometres.**f) Special Group Trips cost recovery shall be credited to the Authority on the monthly contractors invoice.**

Information severed pursuant to
S. 21 (1) of the
FOI - POP Act

Schedule "E" – Tariff-Fares**Fares:**

- | | | | |
|----|---|-------------------------|------------------------------------|
| a) | <u>Single Cash Fares:</u> | | |
| | i) Adult | | \$1.50 |
| | ii) Senior | | \$1.25 |
| | iii) Student | | \$1.25 |
| | iv) Child under 5 years, | | Free when accompanied by an adult. |
| | v) Accessible Transit Attendant - | | Free |
| b) | <u>5-ride Coincards:</u> | Adult | \$7.50 |
| | | Senior/ Student | \$6.25 |
| c) | <u>10-ride Coincards:</u> | Adult | \$15.00 |
| | | Senior/Student | \$12.50 |
| d) | <u>20-ride Coincards</u> | Adult | \$27.00 |
| | | Senior/Student | \$22.50 |
| e) | <u>30-day Coincard</u> | Adult | \$48.00 |
| | | Senior/Student | \$32.00 |
| f) | <u>Semester Pass</u> | Student | \$150.00 |
| g) | <u>Summer Pass</u> | Student – July & August | \$30.00 |
| h) | <u>BC Bus Pass</u> valid for the current calendar year.. | | |
| h) | <u>CNIB Pass</u> available from the local office of the CNIB. | | |