Transportation Services

The Transportation Services Sheet was developed for presentation to the Okanagan Falls Incorporation Study Committee at its meeting on February 5, 2024. The sheet was prepared using information available at the time of writing. Changes will be made if new information becomes available.

Information presented on the Okanagan Falls Incorporation scenario is based on the following assumptions:

- *That Okanagan Falls municipality would continue to participate in the existing Area "D" and Regional transit services*
- *That there would be no changes to service routes, frequency levels or service costs as a result of a decision to incorporate*

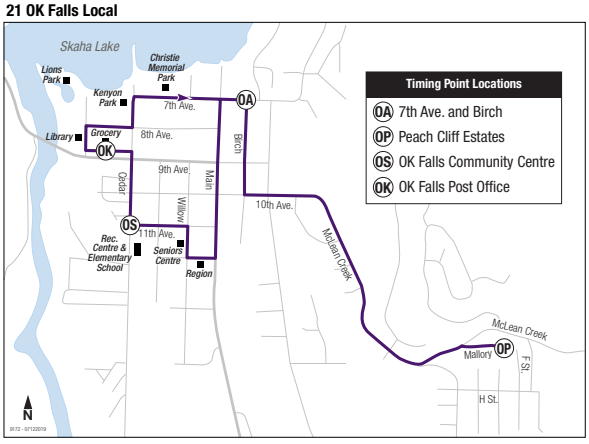
THE PRESENT

➤ What service is provided?

Okanagan Falls and Electoral Area "D" are serviced by BC Transit through the South Okanagan-Similkameen Transit system. There are two separate services that apply to Okanagan Falls — regional transit, towards which all the RDOS municipalities and electoral areas pay; and Area "D" transit, which benefits a defined service area within Area "D," including Okanagan Falls.

Area "D" Transit
The #20 bus provides five times daily return service between Penticton and Okanagan Falls along the east side of Skaha Lake via Eastside Road, with service extending into the Heritage Hills subdivision. The #21 bus provides five daily local service loops within Okanagan Falls community, including service up to Peach Cliff estates. The #21 Okanagan Falls route is shown in Figure 1. The 2023 *Transit Future Plan* noted that expanding the #20 service to 10 pm on Fridays (two extra round trips) is a priority for the period of 2023 to 2026; expanding the #20 and #21 routes to Saturdays is listed as a priority for 2027 to 2030.

Figure 1: Okanagan Falls Transit Route #21



Regional Transit
BC Transit offers one regionally-funded route (#70) to connect RDOS with the Central Okanagan. The #70 bus route connects Penticton to Kelowna via Summerland, Peachland, Westbank, and West Kelowna. While Okanagan Falls residents already have opportunities to get to Penticton on route #20, referenced above, residents also benefit from a sub-regional route (#40) that connects Osoyoos through to Penticton, including a stop in Okanagan Falls (post office).[1]

[1] *Okanagan Falls and Area "D" do not fund route #40; as such, the route is not referenced separately as an Okanagan Falls service.*

In addition to connecting the southern Okanagan communities, BC Transit offers a "Health Connections" service aimed at providing communities with accessible transportation options to non-emergency medical appointments. Passengers call in advance to arrange their trips. Generally the route is planned along the #40 route. The service is funded in part by Interior Health. Although there is a stop available in Okanagan Falls, residents in Okanagan Falls do not contribute taxes to the service.

➤ Who makes decisions?

Decisions about transit fares, routes and service levels are made by the RDOS Board of Directors. In making its decisions, the Board considers information and planning advice provided by BC Transit. The Board is also guided by the *Transit Future Plan*, which was updated in 2023 in partnership with BC Transit. The plan sets out an implementation strategy for short and long-term transit investments.

The RDOS electoral area directors and Board make decisions on whether to create or participate in specific services. Decisions regarding both the regional transit service and the local Area "D" transit service are made by the full Board.

Figure 2: Service Decision-making

SERVICE	DECISION-MAKERS
Regional Transit	Decisions made by the entire RDOS Board because it is a regional service
Area "D" Transit	Decisions made by the entire RDOS Board because the service area is contained to only one electoral area

➤ Who delivers the service?

BC Transit delivers the service on behalf of the Regional District. Operation of buses, including management of drivers and vehicle maintenance, is handled by Penticton Transit Service Ltd. on contract to the RDOS and BC Transit.

➤ What is spent by the RDOS on the service?

The costs of the Area "D" transit and regional transit services are provided in Figure 3.

Figure 3: Service Operating Costs (2023)

SERVICE	COST[1]	TAX REQ
Area "D" Transit	$120,457	$113,444
Regional Transit	$348,898	$227,645
Total	**$469,355**	**$341,089**

[1] *Cost and tax requisition figures are from RDOS 2023 budget for entire service area (not just OK Falls or Area D). Administration allocation is not included*

It is useful to note that the RDOS has operating reserve accounts for most services. The Okanagan Falls transit service had a reserve account balance of $28,827 at the end of 2022; the regional transit service operating reserve balance was $108.

➤ How are the costs recovered?

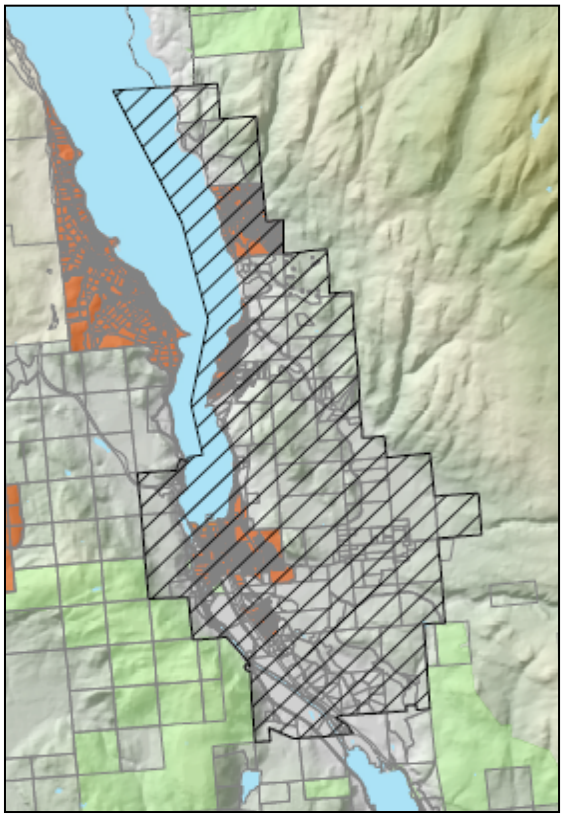
Area "D" Transit

The Area "D" Transit system is recovered through a combination of tax requisition from the service area (see the crosshatched area in Figure 4), as well as passenger fares, and some grant funding. Only those properties within the service area shown in Figure 4 contribute to the Area "D" Okanagan-Similkameen Transit System. The service area encompasses all but one property within the Okanagan Falls Incorporation Study Area, but the service extends well beyond the study area boundary.

Regional Transit

The RDOS cost of the Okanagan-Similkameen Transit System is recovered through a combination of property taxes based on assessed value (land and improvements) throughout all of the RDOS, as well as transit fares, and some grant funding from the provincial government.

Figure 4: Area "D" Transit Service Area



➤ What is the cost to a typical residence?

Figure 5 provides the tax impacts to a typical Okanagan Falls residence for transit service. Transit fares for service would be in addition to the amounts shown below. Fares for local service are $2.25 on the Okanagan-Similkameen Transit System (free for children under 12). The regional routes are $4.00, or $5.00 for route #70 which provides connection from Penticton through Summerland to Peachland, Westbank, West Kelowna and Kelowna.

Figure 5: Cost Impact on a Typical Residence (2023)

SERVICE	RES RATE	OWING[1]
Area "D" Transit	0.0656	$32.80
Regional Transit	0.0061	$3.06
	Total	**$35.86**

[1] *Impact is calculated on a home assessed at $500,000. Amount excludes 5.25% Surveyor of Taxes fee charged in unincorporated areas*

INCORPORATION

➤ What impact would incorporation have on these services?

A new municipality would become responsible for providing transit services; however, it is anticipated that the new municipality would continue to participate in the regional transit service, and would participate in the RDOS service for Area "D" as a sub-regional service to both Area D and the new Okanagan Falls municipality, given the broader area serviced by (and contributing to) the #20 and #21 routes. While it is anticipated given the priorities in the *Transit Future Plan* that service levels will be increasing (together with the costs), these enhancements are planned regardless of incorporation. No changes to cost or service level are therefore anticipated as a result of incorporation.

➤ How would decision-making change?

As noted with all services there would be a change in governance. Within a municipality, it would be the municipal Council that would have the authority to make decisions regarding participation in the transit service; a municipal director would participate in discussions at the RDOS Board level regarding service levels and cost for the regional and sub-regional services.

➤ How would incorporation impact service delivery?

The new municipality's authority over and responsibility for the service would not compel the municipality to deliver the service using municipal staff. It is assumed that BC Transit would continue to deliver the service, and at least in the short term it is anticipated that the services would continue to be delivered by BC Transit through the RDOS. In time the new municipality could choose to negotiate its own terms for municipal service directly with BC Transit.

➤ How would service costs change?

In the short term, it is anticipated that the municipality would continue to participate in the regional service, and that the Area "D" routes would become a sub-regional service, given that they are provided to, and their costs are recovered from, a broader service area. Assuming there are no changes to service levels (other than those that have already been identified as priorities for the existing routes), there is no rationale to assume any significant cost changes as a result of a decision to incorporate. What would change is that the municipality's contribution would be recovered from the entire municipality, which would include the one extra property not currently included in the service area. The inclusion of this one additional property would have a negligible impact on the overall cost of the Area "D" service.

SUMMARY OF TAX IMPACTS

Figure 6 presents the tax impact of the two scenarios – the current situation (RDOS) and incorporation (MUNICIPAL).

Figure 6: Tax Comparison of Regional District and Incorporation Scenarios

SERVICE	RDOS[1]	MUNICIPAL[1]
Area "D" Transit	$32.80	$32.80
Regional Transit	$3.06	$3.06
Total	**$35.86**	**$35.86**

[1] *Impact is calculated on a home assessed at $500,000.*