

Southern Sunshine Coast Ferry Advisory Committee Meeting

Overview: Gibsons Community Centre, May 12, 2015

In Attendance:

Committee: Barry Cavens, David Dick, Jef Keighley, Jakob Knaus, Diana Mumford, Mike Shanks, Ed Steeves

BC Ferries: Corrine Storey- VP Customer Services, David Hendry- Strategic Planning Director, Captain Al de Koninck - Marine Superintendent, Chris Morris- Terminal Operations Regional Manager, Darin Guenette-Public Affairs Manager

Meeting Highlights:

The objective of the meeting was to: discuss previous issues and explore options for addressing issues brought to the FAC from the community.

The next meeting is planned as a WebEx meeting during the fall of 2015.

Issues Summary and Resolution Plan

A. Issue: Public Presentation

Definition: Rick Bills from the BC Ferry Coalition read a statement regarding the goals of the organization (to see lower fares and improved service), and the presented material (brochures/sign) to BC Ferries reps.

BC Ferries Commitment to Resolution: none required.

Action Plan:

Action	Responsible	Date
n/a		

B. Issue: Terms of Reference review

Definition: This being the first meeting of a new, four-year FAC term, the TOR was discussed. The FAC asked how they can advise either community members of BC Ferries on ferry related issues without holding any resources, and they suggested there needs to be a process whereby FAC members can properly understand community needs and engage the public at large (i.e. open houses, meetings, etc). Specific to the TOR, they also suggested making the ‘appointment’ section more inclusive and staggering membership for reasonable turnover.

BC Ferries replied that each FAC has different ways to communicate with community members and understand issues related to ferry service. Experience has shown that no

one method of gaining/sharing information fits every area...and BC Ferries hopes FAC members can understand best some of the most effective ways of communicating in their own communities. Finally, FACs may reach out to BC Ferries to discuss any coordination costs related to communicating, as BC Ferries usually can help cover these.

BC Ferries Commitment to Resolution: consider updating the TOR.

Action Plan:

Action	Responsible	Date
Edit TOR for more inclusive appointment wording	Darin	When able

C. Issue: Joint NSC-SSC meeting remarks

Definition: The FAC noted frustration and disappointment over recent remarks that appeared in the Powell River Peak, where BC Ferries was encouraging more cooperation between the NSC and SSC FACs. However, the FAC agreed to suggest that both Chairs attend each other's meetings.

BC Ferries Commitment to Resolution: Will continue to work on helping the two FACs remain in contact and aware of issues in each region.

Action Plan:

Action	Responsible	Date
Inform each FAC Chair of meetings.	Darin	When applicable

D. Issue: Langdale Master Plan update

Definition: Currently, BC Ferries has an active RFP (request for proposals) to solicit a design concept for the first phase of the Langdale Master Plan project. For this, the preliminary design is due to be completed in the fall 2015/spring 2016 period. After that, the Commissioner needs to analyze and review the associated Section 55 application.

Detailed design will follow, with a construction tender to be issued in early 2017, construction to begin that summer/fall and work completed in 2018. Separate to the overall Master Plan work, a Berth 1 upgrade RFP is now active, with a planned berth shutdown in January to March 2017. Part of the plan is to install a floating berth between the two current berths, but this will not be determined until the Queen of Surrey replacement vessel is determined.

The FAC asked if BC Ferries has analyzed community needs as part of the Master Plan, so as to ensure that using the current sized vessel will fulfill customer needs in the long term. BC Ferries replied that replacing the Queen of Surrey with two smaller vessels would be difficult because this would make an already congested Horseshoe Bay terminal

even busier. It is also important first to continue with a Major Route strategy, thus helping determine what may be possible, efficient and make the most sense for customer service at Horseshoe Bay.

David Dick passed out a summary of several measures across seven different routes, including the number of annual sailings, average utilization and on-time performance. In comparing these measures, he suggested that a notable conclusion is that Route 3 service needs improving. Although he understands BC Ferries’ constraints inherent to Horseshoe Bay terminal, thus limiting substantial changes, he also suggested that some sort of community assessment needs to be done. To this, he asked BC Ferries to consider advocating to the Province and Commissioner.

Further discussion occurred about who/how needs assessment should be conducted, with the FAC noting they can ask local government to support/promote seeing an assessment happen.

BC Ferries Commitment to Resolution: none required.

Action Plan:

Action	Responsible	Date
n/a		

E. Issue: Langdale shore power

Definition: BC Ferries confirmed that both the Queen of Surrey and Queen of Coquitlam are now able to connect to shore power during the night, thus allowing full vessel shut down.

BC Ferries Commitment to Resolution: none required.

Action Plan:

Action	Responsible	Date
n/a		

F. Issue: PT4 Fare Cap decision process

Definition: Background on how the “Performance Term 4 fare cap setting process” is unfolding was reviewed.

The Commissioner established a preliminary price cap estimate of 1.9% per year for the four years of PT4 beginning April 1, 2016. He is seeking comments from the public until June 30 this year, and then must make a final price cap decision by September 30 this

year. BC Ferries and the Province also have until June 30 to negotiate any changes to the Coastal Ferry Services Contract.

BC Ferries Commitment to Resolution: none required.

Action Plan:

Action	Responsible	Date
n/a		

G. Issue: Fare Flexibility & Digital Experience Initiative

Definition: BC Ferries outlined some highlights of FFDEI, a major project aimed at updating the company website and improving some aspects of public service (pre-booking, reducing overloads, greater range of discounts). One notable goal will allow dynamic pricing options (different fares by sailing time/day/season, etc).

They confirmed that one of the expectations of FFDEI is to reduce fares by approximately 1.82% over five years. To this, the FAC noted an interest in exploring further details of what future fare structures may look like.

BC Ferries Commitment to Resolution: provide updates on FFDEI.

Action Plan:

Action	Responsible	Date
Let FAC know when new fare structure concepts are ready to share.	BCF	As appropriate

H. Issue: Student/youth sports discounts

Definition: The FAC has received favourable feedback on recent implementation of both the ‘student’ and ‘youth sport’ discount for Route 3 travel, and its expected that more youth teams will be able to take advantage of this program in the future. They suggested that the Route 3, 7, and 17 (if implemented) be added to the CFSC under the ‘full discount’ policies funded by the Province.

BC Ferries Commitment to Resolution: none required.

Action Plan:

Action	Responsible	Date
n/a		

I. Issue: Sunday schedule analysis

Definition: The FAC asked if BC Ferries is able to determine that the targeted cost savings resulting from the reduction of one Sunday, off-peak return trip are being realized.

David Hendry explained that, because BC Ferries issues bonds, they are subject to securities regulations and currently in a post-fiscal year blackout period for disclosure of financial information; with results available in June. BC Ferries' Board of Directors has requested an analysis of the impact of the service level adjustments made in 2014, including an assessment of whether net savings were realized through these, and the company is working on reports that will fulfill this request. Preliminary analysis indicates that the net savings targeted are being realized at a system-wide level, but there are variations across routes affected.

The FAC then said they would like to see if route specific savings analysis could be shared. They also asked why Route 3 experienced service reductions when the other Major routes did not. BC Ferries replied that reductions of approximately 8% of total service were already made on the other three Major routes (1, 2, 30) in 2010/11, prior to the 2014 reductions.

In a related point, Diana shared a handout summarized May 1-4 arrival and departure sailing statistics. She noted that there the majority of sailings in that time period were delayed, and this was having a negative effect on both residents and 'weekenders'. She suggested this unreliable on-time-performance is frustrating many customers, and this indicates the Sunday schedule is not working. Her solution was to first ascertain the needs of the community and then make appropriate schedule changes.

The FAC noted they have approached the SCRDC to discuss implementing some sort of 'community needs survey', and that more discussion should happen to come up with ideas on how/when to do this survey. BC Ferries supported this discussion, and would welcome ideas out of that process.

As for Major routes, BC Ferries conducted extensive analysis on a variety of options for reducing service to achieve the \$4.9 million in net savings, but found that estimated revenue losses exceeded cost savings in all cases. It was pointed out that the Major routes have already had up to eight per cent service reductions between 2008 and 2014 as well.

These reductions came from service that was being provided above CFSC requirements prior to 2012 as well as the recent flexibility in the CFSC (400 round-trips) to further reduce service. As a result of this, it becomes harder to find Major route service reductions without impacting revenue which, in turn, would put further pressure on fares in a cross subsidized system.

The \$4.9 million of net savings still needs to be achieved by BC Ferries in Performance Term-4 to achieve the 1.9% annual price cap but BC Ferries will find these net savings

through measures not related to service level reductions. It is important to also recognize that the BC Ferries Commissioner has further tasked BCF to continue the analysis related to longer term and larger measure initiatives related to the Major routes in order to identify large savings (\$100M) in our capital program.

BC Ferries Commitment to Resolution: none required.

Action Plan:

Action	Responsible	Date
Let BC Ferries know results of survey discussion with SCRD	FAC	As applicable

J. Issue: Fare equity

Definition: The FAC had previously suggested that the Route 3 fares are overly high relative to other routes, and they request BC Ferries adjust their fares to be more equitable. Attempts to arrange a discussion that would include appropriate reps from the Pricing/Tariff section at BC Ferries had begun, but no meeting was planned. Note: if meeting is face-to-face, the FAC requests it be held at Horseshoe Bay or in Gibsons.

BC Ferries Commitment to Resolution: work on setting up a meeting with part of the FAC and Pricing reps to discuss fare setting.

Action Plan:

Action	Responsible	Date
Coordinate date for ‘fare discussion’	Darin	When able

J. Issue: ‘BCF 101’ review

Definition: BC Ferries has developed a document (nicknamed ‘BCF 101’) to provide high-level information about key aspects of coastal ferry service, including sections on: BC Ferries, the Coastal Ferry Services Contract, the BC Ferry Commission, fares and FACs. The main intent of BCF 101 is to bring all FAC members to a common baseline of understanding, to better facilitate issue discussions during meetings.

BC Ferries Commitment to Resolution: none required.

Action Plan:

Action	Responsible	Date
n/a		

K. Issue: Size up the Savings

Definition: BC Ferries explained that a promotion that provides a discount for non-commercial over-length customers using Route 1 and 30 will be running again this summer...similar to the one in 2014, but with Sunday mornings also included. The FAC suggested including underutilized Route 3 sailings (such as the Sunday 6:20 am) in future promotions.

BC Ferries Commitment to Resolution: none required.

Action Plan:

Action	Responsible	Date
n/a		

L. Issue: Operations Report

Definition: Capt de Koninck provided a summary of recent and near-future vessel and terminal developments related to Route 3, including traffic and on-time performance statistics. Specifically, he noted that further efficiencies in foot passenger loading/unloading procedures are still being sought, and the next Queen of Surrey refit is planned from February to April 2016; this will be a ¾ life upgrade and the Queen of Coquitlam will be the relief vessel.

BC Ferries Commitment to Resolution: none required.

Action Plan:

Action	Responsible	Date
n/a		