



Date: February 17, 2003

TO: Board Members - Parks and Recreation
FROM: General Manager - Parks and Recreation
**SUBJECT: STANLEY PARK SHUTTLE SERVICE - RENEWAL FOR
2003 AND FUTURE OPERATIONS**

RECOMMENDATION

- A. THAT the agreement with Vancouver Trolley Company to provide the free Stanley Park Shuttle Service be extended for one additional year, 2003, with all details to be approved by the General Manager.
- B. THAT a Request for Proposals be issued during 2003 for provision of the Shuttle service for the next five year term, 2004 - 2008.
- C. THAT no legal rights shall arise and no consents, permissions or licenses are granted hereby and none shall arise or be granted hereafter unless and until all contemplated legal documentation has been executed and delivered by all parties.
- D. THAT once the form of all legal documentation has been approved by the General Manager and Director of Legal Services for the city of Vancouver, that the General Manager be authorised to execute and deliver such documentation on behalf of the Board.

POLICY

On October 18, 1996, the Board approved the Stanley Park Transportation Plan, featuring as a key recommendation the introduction of a Stanley Park Shuttle as a means to lessen reliance on the private car for transportation within the park.

BACKGROUND

Following a Request for Proposals process conducted in early 1997, the Board approved the award of the contract to Vancouver Trolley Company (VTC) to operate the Stanley Park Shuttle in the summer months. The contract was for an initial one-year period that could, by mutual agreement, be extended for one to four additional years, up to a maximum total of five years.

The Shuttle was to be funded out of additional revenues generated from an increase in pay parking rates in Stanley Park in the summer months. This parking rate increase was introduced in 1997 and has been in effect each summer since then.

The first year of operation of the Shuttle was 1998. On January 11, 1999, the Board approved the extension of the contract to provide the free Shuttle service for one additional year, the 1999 season.

On March 6, 2000, the Board approved the extension of the contract with VTC for an additional three years, 2000 - 2002, to provide the Shuttle as a fare paying service, with adults paying \$2 for a day pass, children paying \$1 and complimentary rides given to holders of bus transfers, bus passes, Leisure Access Cards and to children aged five and under. In 2000, about one third of the riders travelled free, mostly with bus transfers or passes.

However, the introduction of a fare resulted in a 60% decrease in ridership. On January 15, 2001 the Board approved the return to a free Shuttle for the final two years of the agreement term, 2001 and 2002.

DISCUSSION

SUMMARY OF THE SHUTTLE SERVICE

Over the five years of its operation, Shuttle costs and ridership are summarised as follows:

	1998	1999	2000	2001	2002
fare charged/ free service	free service	free service	fare charged	free service	free service
# of days of service	121	104	102	98	98
# of riders	108,040	102,005	41,277	86,450	109,057
average daily # of riders	893	981	405	882	1,113
net cost to Board	\$192,000	\$225,000	\$196,000	\$187,000	\$180,000
one time start up costs (1998 only)	\$110,000				

In 2002, the Shuttle service operated from June 17 to September 22. Three trolleys ran continuously around the perimeter of the park from 10 a.m. - 6.30 p.m. daily. Each trip took about 45 minutes, which allowed for a 15 minute frequency of service. The vehicles, which are fuelled by propane, carry 55 people (35 seated, 20 standing). They are all equipped with lifts and can each accommodate two people in wheelchairs.

FUNDING THE SHUTTLE

Pay parking rates in the summer months in Stanley Park were raised in 1997, from \$1 per 2 hours, maximum \$3 per day, to \$1 per hour, maximum \$5 per day. One of the reasons for this increase was to fund the Shuttle out of the additional parking revenue generated. In 2001, these summer rates were changed to \$1 per 45 minutes, maximum \$4 per day. Additional parking revenue collected in Stanley Park from this seasonal increase has been sufficient to cover the net operating cost of the Shuttle in each of its years of operation.

It is recommended that these pay parking revenues continue to be used to fund the Shuttle in 2003. Some revenues should be obtained from the sale of advertising onboard the trolleys (to date, \$2,000 - \$4,000 has been recovered annually from onboard advertising of park businesses and other tourist attractions), which would allow for decreased reliance on funding from pay parking or, alternatively, provision of additional service.

\$190,000 has been allocated from pay parking revenue in the 2003 Budget to cover the net costs of operating the Shuttle.

The Stanley Park Shuttle is the type of attractive, high profile and popular service that may be appealing to a sponsor. With a potential five year commitment to the future operator, this is a good time to look for one. Staff will research the possibility of sponsorship during 2003.

2003 SHUTTLE SERVICE

To allow the Shuttle to operate in the summer of 2003, the current agreement with VTC should be extended for one more season.

The level of service to park visitors will be expanded in 2003. Following discussions with staff, VTC proposes charging the Board a rate for vehicle charter in 2003 which is lower than last year's rate. As a result, the budgeted funding of \$190,000 should allow for either an extended season (up to two weeks longer), or else supplementary service with an additional vehicle operating on some of the busiest days, or some combination of these two options.

REQUEST FOR PROPOSALS

When the original Request for Proposals was issued in 1997, there was a lot of interest in providing the service. Nine proposals were received by the Board at that time. VTC's proposal was accepted as being the one which best fit the Board's requirements.

VTC has been a good operator, has provided an attractive, reliable service and has worked well with staff. Positive comments are regularly received from both local residents and visitors on the vehicles, the drivers and the Shuttle service in general.

However, this is a significant contract and it is time for the Board to offer the opportunity to the market again. Because there is insufficient time to conduct the RFP process and have the successful bidder in a position to provide the service in the summer of 2003, the RFP will be issued for the five years 2004 - 2008. Staff propose issuing the RFP in the fall of 2003.

SUMMARY

The Shuttle is a popular and valuable service to visitors to Stanley Park. It encourages them to walk or use transit to come to the park or, if they bring their cars, to park them and use the Shuttle to move round the park. As a result, it contributes slightly to a lessening of private vehicle traffic in and around the park. It also allows those who have no alternative means of transport to visit the more distant areas of the park.

Unless and until a sponsor is found to cover part or all of the Shuttle costs, it should continue to be funded from additional revenues raised from the increased summer pay parking rates in Stanley Park.

Prepared by:
Revenue Services
Stanley District
Board of Parks & Recreation
Vancouver, B.C.
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