



Fare Review Kelowna Transit System

June 2025



Fare Review Objective

- Utilize BC Transit's recommended Fare Strategy to account for inflation and operational costs in proposed fare recommendations

Maximize revenue

Attract and retain ridership

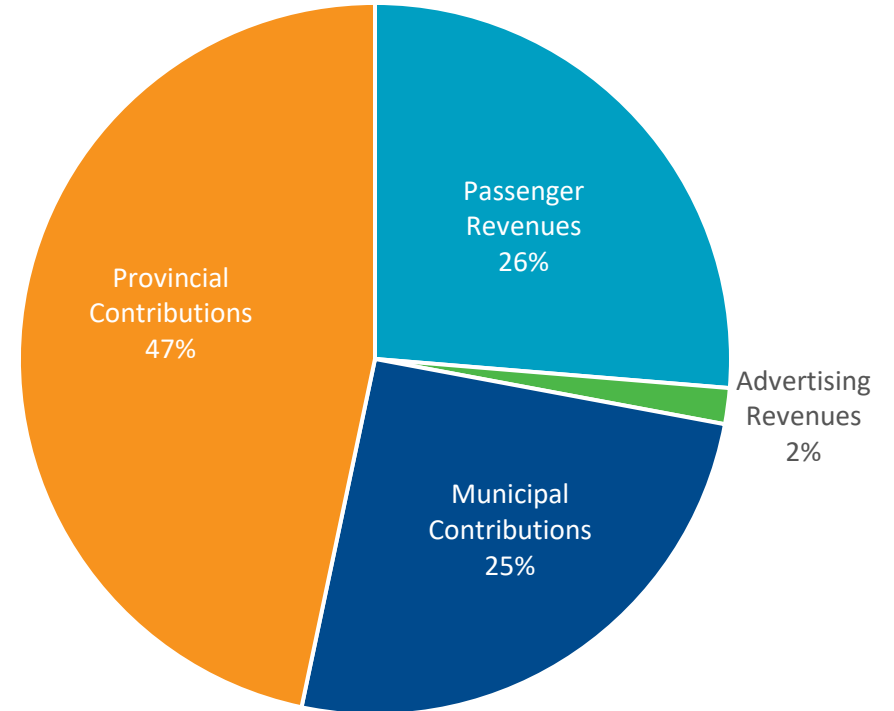
Consider affordability

2025 Fare Review Objective

- Increase ease of use for passengers and boost ridership
- Align with BC Transit's recommended fare structure
- Get the most out of existing electronic fare collecting technology (Umo)
- Introduce automatic DayPASS
- Introduce EcoPASS transit fund program

Funding and Decision Authority

- Funding for Kelowna Regional Transit System is cost shared between the Province and
 - City of Kelowna,
 - City of West Kelowna,
 - District of Lake Country,
 - Westbank First Nation,
 - District of Peachland,
 - Regional District of Central Okanagan.
- Decision on fares, routes and service levels are made by the councils and boards based on information and planning provided by BC Transit
- Operating costs are met by a combination of
 - farebox passenger revenues
 - local partner funding and
 - provincial funding



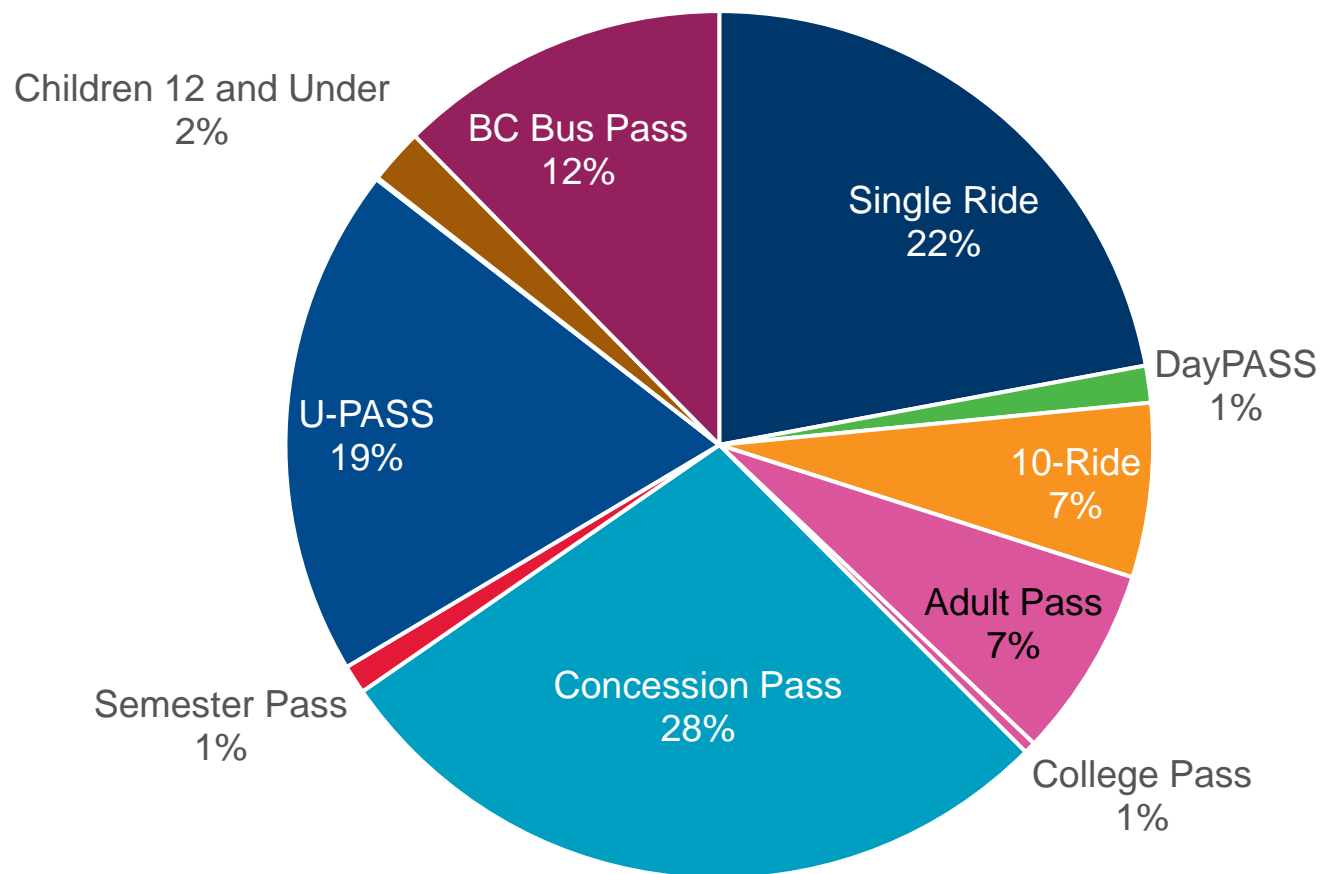
Cost Share Kelowna Conventional 2024/25

Current Fare Structure vs Fare Guidelines

Fare Type		Price		Variance
Single Ride		\$2.50	Base	-
DayPASS		\$5.00	2 times Base Fare	-
10-Rides	Adult	\$22.50	9 times Base Fare	-
	Concession*	\$20.25	9 times Base Fare	8 times Base Fare
30-Day / Monthly Pass	Adult	\$70.00	20 to 30 times Base Fare	-
	Concession*	\$45.00	Adult 30-Day Pass less 15%	Adult 30-Day Pass less 36%
Post-Secondary 30-Day Pass		\$55.00	Adult 30-Day Pass less 15%	Adult 30-Day Pass less 20%
Post-Secondary Semester Pass		\$176.00	4 times Student 30-Day Pass less 20%	-
5-Tickets (handyDART))	Adult	\$11.25	-	-
	Concession*	\$10.00	-	-

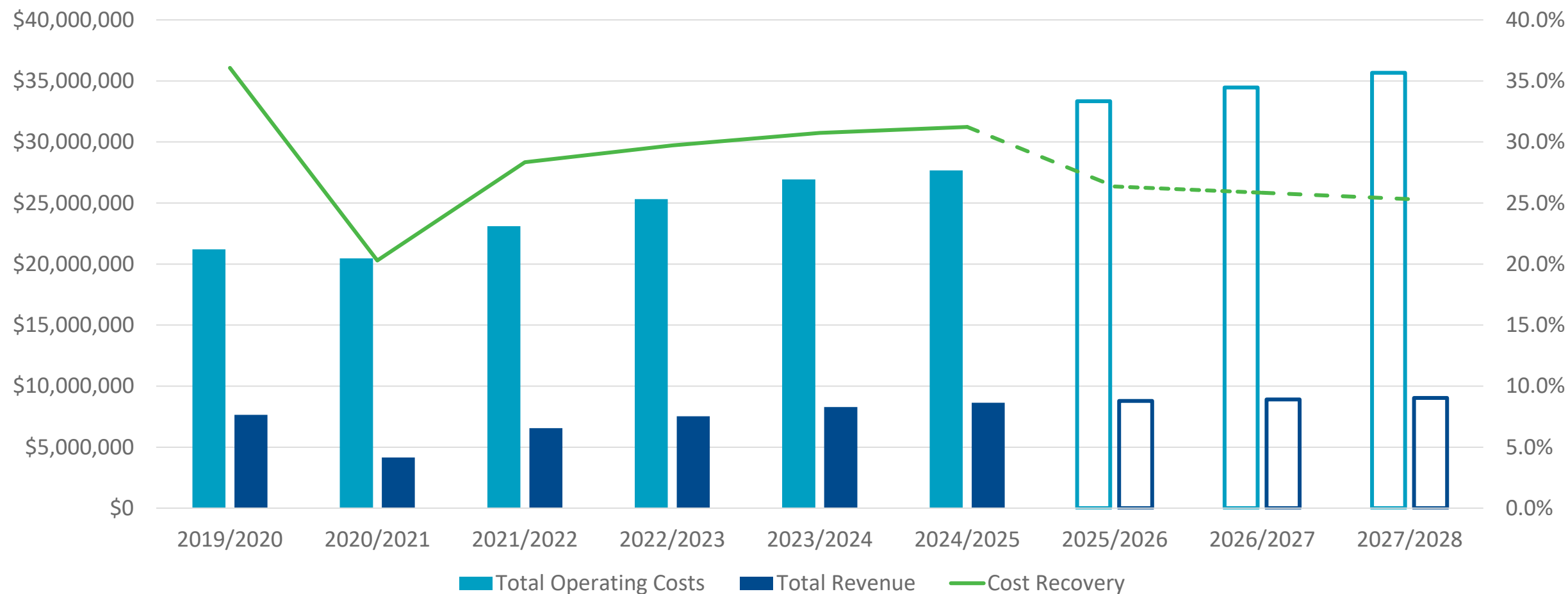
*Concession fare valid for youth aged 13 – 18 and persons 65 and over

Conventional Fare Product Revenue 2024/2025



Cost Recovery – Conventional Transit

Kelowna Regional Transit
Cost Recovery target 35%



Regional Partner Revenue Allocations

The Kelowna Regional Transit System has a revenue-sharing agreement, revenue allocation is based on local ridership in each community (75%) and agreed upon cost-sharing (25%)

Regional Partner	Ridership	Ridership %	Revenue
City of Kelowna	5,622,838	85.97%	\$6,373,902.40
City of West Kelowna	533,702	8.16%	\$772,719.06
Westbank First Nation	155,663	2.38%	\$230,548.10
District of Lake Country	180,517	2.76%	\$272,185.93
District of Peachland	37,281	0.57%	\$61,752.77
Regional District of Central Okanagan	11,119	0.17%	\$12,357.08

Online Engagement

- Survey was live from February 10th – March 10th
- Marketing through traditional and online media
- 625 Respondents, 893 visitors who interacted with the page
- Engagement was launched to gather public feedback on whether potential fare change options would impact ridership and whether the transition to the DayPASS system would be supported
- Key takeaways:
 - Survey respondents were 91% regular fixed-route bus customers with the majority using Single Ride fare products, with 80% of respondents residing within the City of Kelowna
 - 41% of respondents indicated that there would be no change to their transit usage with a small fare increase, and 20.3% indicated it would depend on the amount of the increase
 - The survey asked respondents if they would support moving to the DayPASS system, with 46.5% of respondents supporting the transition, and 31.9% indicating a desire to maintain transfers. The remainder had no opinion.

Transfers vs Automatic DayPASS

Current policy: 90-Minute Transfer

Kelowna Transit allows riders to travel on the next connecting bus within 90 minutes of trip departure without an additional fare.

- Cash users receive a paper transfer from driver
- Paper transfer is difficult to validate for drivers
- Umo users have a transfer automatically applied

Proposed policy: Automatic DayPASS

Replacing transfers with automatic DayPASS which allows for unlimited rides all day, for two Single Ride fares

- Provides increased value and ease of use for riders
- Umo utilizes fare capping to automatically apply DayPASS fare for Umo cash balance users
- Riders using cash can purchase a paper DayPASS from their bus driver at the time of boarding
- To allow for fare capping and simplify fare structure 10-Rides and pre-purchased DayPASS product would be phased out

Umo Transfers March 2024 - March 2025



Fare Change Options

- BC Transit is providing three fare change options, developed based on:
 - Fare Review Objectives
 - Increase ease of use for passengers and boost ridership
 - Align with BC Transit's recommended fare structure
 - Get the most out of existing electronic fare collecting technology (Umo)
 - Comparable transit system fares
 - Average Single Ride Adult fare in Canada is **\$3.50**
 - Inflationary increases since the last fare increase in 2015
 - Bank of Canada's Inflation Calculator estimates a **\$2.50** fare in 2015 would be equivalent to **\$3.24** in 2025
 - Cost recovery goals
 - Kelowna Regional Transit has a set cost recovery goal of 35%

Maximize revenue

Attract and retain
ridership

Consider affordability

Fare Change Options

Fare Product		Existing Fares	Option 1 Recommended Increase
Single Ride		\$2.50	\$3.00 (+20%)
DayPASS*		\$5.00	\$6.00 (+20%)
10 Rides	Adult	\$22.50	Discontinued
	Concession	\$20.25	
30 Day / Monthly Pass	Adult	\$70	\$80 (+14%)
	Concession**	\$45	\$55 (+22%)
Post-Secondary 30-Day Pass		\$55	\$65 (+18%)
Post-Secondary Semester Pass		\$176	\$208 (+18%)
5-Tickets (handyDART)	Adult	\$11.25	\$15 (+33%)
	Senior	\$10	\$15 (+50%)

*DayPASS-on-Board and Fare Capping to generate automatic DayPASS.

**Concession fare valid for youth aged 13-18 and persons 65 and over.

Quantitative Analysis	2024/2025 Actuals	Option 1 Recommended Increase
Total Fare Revenue	\$7,026,024	\$8,174,795
Revenue Increase	-	\$1,148,771 (+16.4%)
Ridership	6,540,465	6,585,233 (+0.68%)
Cost Recovery	31%	31%

Fare Change Options

Fare Product		Existing Fares	Option 2 Fare Guideline Alignment
Single Ride		\$2.50	\$3.00 (+20%)
DayPASS*		\$5.00	\$6.00 (+20%)
10 Rides	Adult	\$22.50	Discontinued
	Concession	\$20.25	
30 Day / Monthly Pass	Adult	\$70	\$80 (+14%)
	Concession**	\$45	\$68 (+51%)
Post-Secondary 30-Day Pass		\$55	\$68 (+23%)
Post-Secondary Semester Pass		\$176	\$217 (+23%)
5-Tickets (handyDART)	Adult	\$11.25	\$15 (+33%)
	Senior	\$10	\$15 (+50%)

*DayPASS-on-Board and Fare Capping to generate automatic DayPASS.

**Concession fare valid for youth aged 13-18 and persons 65 and over.

Quantitative Analysis	2024/2025 Actuals	Option 2 Fare Guideline Alignment
Total Fare Revenue	\$7,026,024	\$8,606,376
Revenue Increase	-	\$1,580,352 (+22.5%)
Ridership	6,540,465	6,450,535 (-1.4%)
Cost Recovery	31%	33%

Fare Change Options

Fare Product		Existing Fares	Option 3 Cost Recovery Goal
Single Ride		\$2.50	\$3.50 (+40%)
DayPASS*		\$5.00	\$7.00 (+40%)
10 Rides	Adult	\$22.50	Discontinued
	Concession	\$20.25	
30 Day / Monthly Pass	Adult	\$70	\$87.50 (+25%)
	Concession**	\$45	\$74.38 (+65%)
Post-Secondary 30-Day Pass		\$55	\$74.38 (+35%)
Post-Secondary Semester Pass		\$176	\$238 (+35%)
5-Tickets (handyDART)	Adult	\$11.25	\$17.50 (+55%)
	Senior	\$10	\$17.50 (+75%)

Quantitative Analysis	2024/2025 Actuals	Option 3 Cost Recovery Goal
Total Fare Revenue	\$7,026,024	\$9,210,291
Revenue Increase	-	\$2,184,267 (+31%)
Ridership	6,540,465	6,331,984 (-3.19%)
Cost Recovery	31%	35%

*DayPASS-on-Board and Fare Capping to generate automatic DayPASS.

**Concession fare valid for youth aged 13-18 and persons 65 and over.

Regional Partner Impacts

Quantitative Analysis	Regional Partner	Option 1 Recommended Change	Option 2 Fare Guideline Alignment	Option 3 Cost Recovery Goal
Total Fare Revenue Impact	City of Kelowna	+\$957,845	+\$1,317,697	+\$1,821,244
	City of West Kelowna	+\$109,363	+\$150,449	+\$207,941
	Westbank First Nation	+\$32,969	+\$45,356	+\$62,688
	District of Lake Country	+\$38,598	+\$53,099	+\$73,390
	District of Peachland	+\$8,156	+\$11,220	+\$15,507
	Regional District of Central Okanagan	+\$1,838	+\$2,528	+\$3,494

Pre-Paid Fare Programs



- **U-PASS**

- U-PASS gives students at partnering post-secondary institutions (UBCO) unlimited access to travel on all Kelowna Regional transit services during their enrolled term.
- Gives transit systems guaranteed income as most students will be enrolled. The fee for a U-PASS is included in a student's tuition payment.
- If a fare increase is approved, UPASS fees increase can be issued, requiring student body approval.
 - UBCO requires one year notice of fare increase (August 15th deadline)
 - Student referendum would need to approve increase
 - If approved, UPASS rate would increase as of Sept 1 2026

Pre-Paid Fare Programs

EcoPASS

- A transit fund created via a bulk purchase discount that can be used by a variety of groups
- Secure stable revenue in the form of pre-purchased fare revenue
- Administered by BC Transit through Umo

Transit Fund	Discount %
\$5,000	5.00%
\$10,000	5.50%
\$20,000	6.00%
\$30,000	6.50%
\$40,000	7.00%
\$50,000	7.50%
\$100,000	10.00%
\$150,000	12.50%
\$200,000	15.00%

- Examples:
 - Property developers establish a transit fund for occupants of residential buildings to access to satisfy TDM programs
 - Conferences create a transit fund for attendees to access
 - Employers provide transit fund available to all employees
 - Social services agencies can use it to provide transit access for their target audience until the fund is extinguished

Summary of Recommendations

- Endorse Option 1 fare change and the discontinuation of the Umo 10-Rides product
- Replace the existing transfer policy with the DayPASS system, allowing cash users to purchase a paper DayPASS at the time of boarding and Umo users to automatically receive a DayPASS via Umo fare capping technology
- Increase U-PASS fees, in line with Option 1 Adult Pass fare, effective September 2026
- Introduce the EcoPASS pre-paid fare program allowing for bulk transit purchases to be made with the previously outlined discount structure.

Fare Review Timeline

Winter 2025

February 10 - March 10th: Survey Engagement Live

Spring 2025

Options Development and Staff Consultation

Summer 2025

July 8: Peachland Council

July 15: Lake Country Council

July 17: RDCO Board

July 21: COK Council

July 22: West Kelowna Council

July 7: Westbank FN Council

August 2025

Notify UPASS Agreements for price increase 12 months in advance

Fall 2025

Marketing campaign to notify riders

October 1, 2025

Fare change in-effect