

To: Chief Administrative Officer
From: Ellen Croy, Manager of Transportation
Subject: **Central Fraser Valley Transit System Fare Review**

Date: July 21, 2025

Recommendation(s)

That Council approve the following transit fare recommendations for implementation in fall 2025:

- a. Approve the DayPASS-on-Board program for passengers paying with cash;
- b. Approve Fare Capping at two times the single-ride fare to generate an automatic DayPASS, and consequently remove the pre-purchased DayPASS, 10-rides, and student / senior single-ride fare products;
- c. Discontinue the transfer policy;
- d. Combine the high school student, senior, and post-secondary 30-Day pass fare products into a single concession 30-day pass fare product;
- e. Approve the ProPASS program;
- f. Approve the EcoPASS program;
- g. Approve the proposed conventional fare structure, shown as Option 3 in Attachment A of the report dated July 21, 2025 from the Manager of Transportation; and
- h. Approve the custom transit single-ride fare costs to increase at the same rate as conventional single-ride fare costs.

Purpose

To seek Council's endorsement of recommended transit fare changes for implementation in fall 2025.

Background

The City of Abbotsford and City of Mission are part of the Central Fraser Valley (CFV) Regional Transit System, which includes the Fraser Valley Regional District (FVRD), BC Transit and the local transit operator (Transdev Canada). The CFV Regional Transit System partners continually work on joint initiatives, including updates to transit planning, fare reviews, and implementing new technologies such as Umo.

Transit fares in the CFV have not been adjusted since 2013, therefore not keeping pace with inflation and the rising costs of providing transit service. A fare review process was initiated in 2020, but was terminated due to the COVID-19 pandemic. Revising fares in the Fraser Valley's transit systems (CFV, Chilliwack, Agassiz-Harrison, and Hope) will also be an opportunity to implement consistent fares across the region.

BC Transit launched Phase One of the electronic fare collection system (Umo) in the CFV Transit System in January 2024. Umo allows transit customers to pay for and access their fares in an account-based environment using their mobile phones or reloadable Umo cards for contactless payments. In October 2024, all legacy pre-purchased paper products (DayPASS, tickets, monthly

passes) were phased out and are only available through Umo. Cash is still accepted on board for single-ride fares. Phase Two of the electronic fare collection system is open-loop payments (i.e. credit or debit card “tap” payments) on the bus, expected to launch in 2025.

Discussion and Analysis

BC Transit, in collaboration with staff from the City of Abbotsford and the City of Mission, prepared the CFV Transit System Fare Review Report (Attachment A) outlining recommended adjustments to fare products, new fare programs, fare changes, and implementation strategy. The goal of the fare review is to produce fares that maximize revenue, attract and retain ridership, maintain affordability, and align with BC Transit’s fare guidelines. Another goal is to consider opportunities to align fares across transit systems in the Fraser Valley and ensure fare structures work well with Umo and future open-loop payments. The recommended adjustments to fare products, new fare programs, fare changes, and implementation strategy are outlined in sections below.

1. Fare Product Adjustments:

Various changes to fare products and policies are recommended to improve the user experience and prepare for the new open-loop fare payment options:

- a) Introduce DayPASS-on-Board Program. Passengers paying cash could purchase a DayPASS directly on-board the bus from the transit operator by paying double the single-ride fare. The paper DayPASS would allow unlimited travel for the rest of the day.
- b) Introduce Fare Capping and consequently remove the pre-paid DayPASS, 10-ride, and student / senior single-ride fares. With Fare Capping, passengers paying for their fare via the Umo app or Umo card would no longer be charged after two single-ride fares have been paid in a single day, effectively issuing a DayPASS without requiring pre-purchase. The goal would be to simplify the process and encourage increased ridership. To maximize Fare Capping and prepare for future open-loop payment technology, the pre-paid DayPASS, 10-ride, and student / senior single-ride fares should also be removed. Pre-purchased DayPASS products account for less than 1% of fare revenue and 10-ride ticket packages account for 2%, demonstrating these fare products are not well used. With the introduction of the open-loop payment system, the technology cannot distinguish between an adult (single-ride fare of \$2.25) or student / senior (single-ride fare of \$1.75) and would automatically charge the adult single-ride fare, which could cause conflict and equity concerns. To prepare for the open-loop system, simplify fare products, and improve ease of use, it is recommended that the student / senior single-ride fare product be removed, and there be one universal single-ride fare product for all users.
- c) Remove the existing transfer policy. Currently, riders can transfer to a connecting bus within 90 minutes without paying an additional fare. The transfer policy would be replaced by the DayPASS-on-Board Program and Fare Capping, which would charge riders for up to two single-ride fares (the same cost as a DayPASS) without any charges for additional trips for the rest of the day.
- d) Combine the High School Student, Senior, and Post-Secondary 30-Day Passes into a single Concession 30-Day Pass. Combining these three different fare products, with already similar costs, into one fare product would help simplify the fare structure.

2. New Pre-Paid Fare Programs

Two new fare programs are recommended to enhance transportation demand management by supporting alternatives to vehicle use and ownership:

- a) Introduce the ProPASS pre-paid fare program. ProPASS is a workplace travel program and is a convenient and cost-effective initiative that allows employees to access unlimited travel on their local transit system through employer-facilitated payroll deductions. The program offers a 15% discount on the Adult 30-Day Pass rate to help make transit more affordable and accessible. BC Transit administers the program, so local government partners do not need to allocate resources to the program (except communicating the program to raise awareness and increase participation).
- b) Introduce the EcoPASS pre-paid fare program. EcoPASS is a new initiative designed to encourage investment in public transit by allowing organizations to invest in transit with bulk purchase discounts. In the Victoria Regional Transit System, it has been successfully leveraged by property developers who provide transit access to occupants in exchange for parking variances, resulting in significant additional fare revenue. It is recommended that the EcoPASS program be implemented in the CFV Transit System to realize similar benefits. Again, BC Transit administers the program so local government partners do not need to allocate resources to the program (except raising awareness and encouraging use of the program).

3. Fare Change Recommendations:

The CFV Transit System Fare Review Report (Attachment A) shows five fare change options with three-year implementation periods. These changes aim to align fares with inflation and service costs while maintaining affordability for riders. Note that implementation years are shown using BC Transit's fiscal year, starting on April 1 and ending on March 31 the following year. Staff recommend that Option 3 be approved, summarized in Table 1.

Table 1: Existing and recommended transit fares

			Recommended Fares		
Fare Products		Current Fares	Year 1 (2025/26)	Year 2 (2026/27)	Year 3 (2027/28)
Single Ride	Adult	\$2.25	\$2.50	\$2.75	\$2.75
	Student / Senior	\$1.75			
DayPASS	Adult	\$5.65	\$5.00	\$5.50	\$5.50
	Student / Senior	\$4.00			
10-Rides	Adult	\$20.25	Discontinued		
	Student / Senior	\$15.75			
30-Day Pass	Adult	\$52	\$55	\$59	\$59
	Post Secondary	\$42	\$42	\$49	\$49
	Senior	\$38			
	High School Student	\$35			
Semester Pass	Post Secondary	\$150	\$165	\$180	\$180
	High School Student	\$110	\$126	\$155	\$155

Note that any single-ride fare increases would also be applied to custom transit single-ride fares to ensure equity across product types.

4. Implementation Recommendations:

It is recommended that the fare product increases be implemented over a three-year period:

- Year 1 (2025/26)
 - Implement fare product changes in fall 2025 to simplify the fare structure and meet the needs of the new open-loop technology (implementation in 2025).
 - Since some fare products would be combined (e.g. creating one single-ride fare for adults, seniors, and students), some fares would increase while others would decrease.
 - Compared to current revenues and ridership, Year 1 fare changes are estimated to increase conventional transit revenues by 10% but decrease ridership by 3%.
 - The impact of custom transit fare changes on revenue and ridership was not estimated.
- Year 2 (2026/27)
 - Increase all fare product costs.
 - Compared to Year 1 conventional transit revenues and ridership, the changes implemented in Year 2 are estimated to increase conventional transit revenues by 9% but decrease ridership by 3%.
 - The impact of simultaneous custom transit fare changes on revenue and ridership was not estimated.
- Year 3 (2027/28)
 - Maintain all fare product costs already implemented in Year 2. This could align transit fares across all four Fraser Valley transit systems (subject to each transit system's approval).
 - This would result in no changes to revenue or ridership for both custom and conventional transit in Year 3.

After Year 3 (2029), the fare structure would be reviewed again, and a policy could be developed to confirm the rate at which transit fares should increase and whether the CFV Regional Transit System fares should aim to remain consistent with other transit systems in the Fraser Valley.

Financial Implications

The projected revenue impacts of the recommended fare structure are based on an elasticity model, which analyzes price sensitivity using the previous year's ridership and revenue data for the CFV Regional Transit System. The fare changes are estimated to have a positive impact on revenue (Table 2).

Table 2: Projected Revenue Impacts based on Price Elasticity

Implementation Year	Projected Revenue Impacts		
	Total	City of Abbotsford (79.2%)	City of Mission (20.8%)
Year 1 (2025/26)	+\$229,271 (+10%)	+\$181,583	+\$47,688
Year 2 (2026/27)	+\$234,759 (+9%)	+\$185,929	+\$48,830
Year 3 (2027/28)	\$0 (0%)	\$0	\$0

After Year 3 (2029), the fare structure would be reviewed again, and a policy could be developed to confirm the rate at which transit fares should increase and whether the CFV Regional Transit System fares should aim to remain consistent with other transit systems in the Fraser Valley.

The City of Abbotsford and the City of Mission share revenue based on the proportion of transit service hours operated in each municipality, resulting in a 79.2% revenue allocation to the City of Abbotsford and 20.8% towards the City of Mission according to the last Annual Operating Agreement.

Communication

BC Transit, City of Mission, and City of Abbotsford staff collaborated to prepare the recommended fare structure. BC Transit also collaborated with staff from the Chilliwack, Agassiz-Harrison, and Hope transit systems in efforts to align transit fares across the Fraser Valley transit systems by Year 3 (2027/28). The final fares to be implemented, and whether alignment can be achieved, is subject to consideration by each transit system's local government partners.

The recommendations were also brought forward to the UMC in on June 26, 2025 and the JSSC on July 17, 2025. Should Council endorse the transit fare recommendations, it is anticipated that the Year 1 fare changes would be implemented starting in fall 2025. BC Transit would provide a full-scale marketing and communications plan to inform the public on how their transit experience would change. The strategy would include a mix of digital, print and radio advertising, media advisories, social media promotion, and on-bus information. BC Transit would also collaborate with the local operating company (TransDev) to ensure that all operations staff are aware of the changes to policies and practices.

Summary and Conclusion

BC Transit, in collaboration with staff from the City of Abbotsford and the City of Mission, prepared the CFV Transit System Fare Review Report (Attachment A), outlining recommended adjustments to fare products, new fare products, fare changes, and implementation strategy. The goal of the fare review is to produce fares that maximize revenue, attract and retain ridership, and maintain affordability while aligning with BC Transit's fare guidelines. Additional goals include considering opportunities to align fares across transit systems in the Fraser Valley, as well as ensuring fare structures work well with the electronic fare collection system "UMO" and future open-loop payments (i.e. credit or debit card "tap" payments). The open-loop payment system is anticipated to launch in 2025, while the recommended fare changes are to be implemented in fall 2025, subject to endorsement by Abbotsford and Mission Councils.

Report Prepared by: Ellen Croy, Manager of Transportation
Reviewed by: Tracy Kyle, Director of Engineering and Public Works
Approved for Inclusion: Mike Younie, Chief Administrative Officer

Attachment(s)

Attachment A: Central Fraser Valley Transit System Fare Review Report