

CONTRIBUTION AGREEMENT

THIS AGREEMENT is dated for reference the 23 day of Oct, 2020

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA,
represented by the Minister of Transportation and Infrastructure

(the "Province")

AND:

BRITISH COLUMBIA TRANSIT, a corporation continued under the *British Columbia Transit Act*, R.S.B.C. 1996 c. 38

("BC Transit")

The Province and BC Transit are herein collectively referred to as "the Parties" or individually as a "Party".

WHEREAS:

- A. The Province has initiated its 'BC Restart Plan', which lays out a series of steps intended to protect people and help ensure that British Columbia can recover from the effects of the COVID-19 pandemic.
- B. Public transportation and the orderly movement of people are shared priorities of BC Transit, Local Government Partners and the Province.
- C. The Province, BC Transit and Local Government Partners recognize that transit is an essential service, critical for providing public mobility during the acute phases of COVID-19 and for supporting the social and economic recovery of communities and the province as part of the BC Restart Plan.
- D. Under the federal 'Safe Restart' program, the federal government has agreed to assist provinces with their own restart plans including assistance for transit services. The federal government has committed to provide to the Province up to \$540 million, conditional on the Province matching federal contributions under a 50/50 cost-sharing arrangement (the 50/50 federal and provincial funding together is referred to herein as the "Federal/Provincial Safe Restart Funding"), to be used for transit operating relief from the effects of COVID-19, including those

services provided by BC Transit. Such relief is also intended to help ensure that affordable transit services continue through the COVID-19 recovery period.

- E. Under the federal 'Safe Restart' program the federal and provincial governments have also committed to provide joint contributions in support of direct municipal services. In addition, as part of the BC Restart Plan, the Province has provided direct relief for commercial school property taxes in 2020/21. These additional supports are intended to provide direct benefits to local governments.
- F. The Local Government Partners have experienced significant fiscal impacts since mid-March 2020, due to the COVID-19 pandemic's effect on travel demand in BC Transit's service areas which cover over 130 communities across the province. BC Transit (on behalf of the Local Government Partners) has requested support from both the provincial and federal governments to address its near-term forecast net operating financial gap caused by lost revenues and additional COVID-19-related operating costs, and to help ensure that Essential Transit Service Levels continue and remain affordable to users through pandemic recovery. BC Transit's request is set out in Schedule "2" to this Agreement.
- G. BC Transit has requested, and the Province has agreed to provide a Contribution of \$86 million to BC Transit. The Contribution is intended to be used by BC Transit to provide relief to Local Government Partners to help meet their share of costs to maintain affordable Essential Transit Service Levels during the COVID-19 pandemic recovery period. The Contribution will be applied in accordance with the terms and conditions set out in section 4.01 and Schedule "1" to this Agreement.
- H. BC Transit agrees that the Contribution will enable the Local Government Partners to focus on effectively supporting the BC Restart Plan by working to maintain affordable Essential Transit Service Levels for all residents in BC Transit's service areas and to maintain capital in a state of good repair across BC Transit's responsibilities for transit vehicles and facilities.
- I. BC Transit acknowledges that the Contribution will significantly improve the liquidity of BC Transit in the near term and, together with other operating, liquidity and financing strategies available to BC Transit, will assist the Local Government Partners with weathering additional impacts caused by COVID-19.
- J. The Contribution to be made by the Province under this Agreement is a one-time contribution based on extraordinary circumstances created by the COVID-19 pandemic. It is not intended to be a change to the existing funding structure for transit services cost shared with the Local Government Partners.
- K. Further to the preceding, the Province and BC Transit (for the benefit of Local Government Partners) wish to enter into this Agreement.

NOW THEREFORE in consideration of the premises and covenants and agreements set out in this Agreement and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the Parties), the Parties agree as follows:

DEFINITIONS

1.01 In this Agreement and the Recitals to this Agreement:

- (a) "Annual Operating Agreement" or "AOA" has the same meaning as defined in the *British Columbia Transit Act*. Annual Operating Agreement means an agreement made pursuant to a transit service agreement, respecting the provision and maintenance of transit services with provisions respecting fares, level of service, provincial and municipal contributions, proportionate administrative charges of the Authority (BC Transit) and other matters the Lieutenant Governor in Council may prescribe;
- (b) "Annual Victoria Service Plan" has the same meaning as defined in the "Province – BC Transit Operating Contribution Agreement". Annual Victoria Service Plan means the latest service plan approved by the Victoria Regional Transit Commission that sets out the service hours and associated budget and taxation implications for the provision of a public passenger transportation system in the Victoria Regional Transit System;
- (c) "Contribution" means the Federal/Provincial Safe Restart Funding Contribution, and, as the context requires, any payment, or the total of all payments, made by the Province to BC Transit pursuant to this Agreement;
- (d) "Event of Default" means any event of default described in section 9.01 of this Agreement;
- (e) "Essential Transit Service Levels" means the revenue service hours provided in Part C of Schedule "3", established for maintaining a level of service for each Local Government Partner and the transit system the Local Government Partner is responsible for funding, as further described in Part C (Essential Transit Service Levels) of Schedule "3";
- (f) "FAA" means the *Financial Administration Act*, R.S.B.C. 1996, c.138;
- (g) "Local Government Partner(s)" means municipal or regional governments who have entered into transit service agreements and AOAs with BC Transit and for the purpose of this agreement, includes the Victoria Regional Transit Commission;

- (h) “Local Government Share of Costs” means (as specified in the AOA’s and Annual Victoria Service Plans (AVSP)) the amount of total Local Government Contribution that is budgeted to be paid to BC Transit for service, and is funded by any local government revenue source, including but not limited to, property tax, fares, motor fuel tax and advertising;
- (i) “Local Transit Fund” and “Victoria Regional Transit Service (VRTS) Fund” mean a fund or funds established by BC Transit on behalf of Local Government Partners, for the purpose of holding and applying funding from Local Government Partner contributions as further described in Schedule “1”;
- (j) “Term” means the term of this Agreement described in section 2.01; and
- (k) “Transit System” means a public passenger transportation system (conventional, custom and/or paratransit service) that is operated within a local or regional transit service area (a geographical area established in accordance with the *British Columbia Transit Act*) in which each of the Local Government Partners within the transit service area contributes toward the costs of providing the transit service.

TERM

- 2.01 The term of this Agreement will commence on execution and delivery by both Parties and will end on March 31, 2024, unless terminated earlier under section 9.02.

CONTRIBUTION

- 3.01 The Contribution consists of Base Operating Relief, being \$86 million, intended to be used by BC Transit to provide relief to Local Government Partners to help meet their share of costs to maintain affordable Essential Transit Service Levels during the COVID-19 pandemic recovery period, as further described in Schedules “1”, “3” and “4”.
- 3.02 The Province will provide the Contribution to BC Transit within 90 days after this Agreement is executed and delivered by both Parties.
- 3.03 Notwithstanding any other provision of this Agreement, in no event will the Province be or become obligated to pay to BC Transit (on behalf of its Local Government Partners) pursuant to this Agreement an amount exceeding \$86 million.

COVENANTS OF BC TRANSIT

- 4.01 In recognition and consideration of the Contribution from the Province to BC Transit, BC Transit covenants and agrees that it will:
- (a) comply with the provisions of this Agreement;
 - (b) allocate the Contribution of \$86 million solely for the benefit of Local Government Partners, in a manner that will assist Local Government Partners to meet their share of costs to maintain affordable Essential Transit Service Levels during the COVID-19 pandemic recovery period, in accordance with the terms and conditions further described in Schedules “1”, “3” and “4”;
 - (c) by November 30, 2020, communicate to Local Government Partners in a manner and form acceptable to the Province, the value of each Local Government Partner’s allocation of the Contribution as set out in Schedule “4”, and that the Contribution is intended to assist Local Government Partners to maintain Essential Transit Service Levels while limiting average annual public fare increases to 2.3% per year during the Term of this Agreement;
 - (d) with respect to an existing requirement that BC Transit enter into AOAs and AVSPs according to the BC Transit Operating Program Contribution Agreement (Operating CA), BC Transit will enter into Revised AOAs and obtain approval for a Revised AVSP with each respective Local Government Partner in respect of the 2020/21 fiscal year, by December 31, 2020. The Revised AOA and Revised AVSP will adjust BC Transit’s billings to Local Government Partners in a manner that will assist Local Government Partners to meet their share of costs to maintain affordable Essential Transit Service Levels as described in Part C (Essential Transit Services) of Schedule “3”;
 - (e) with respect to this Agreement, establish and maintain accurate books of account and records (including supporting documents) in relation to the application by BC Transit of the Contribution following generally accepted accounting principles;
 - (f) prepare and deliver to the Province such written reports, in a form and content satisfactory to the Province on the status of BC Transit’s operations and finances as they relate to COVID-19 impacts and recovery, mitigation strategies and outcomes and other commitments set out in this Agreement, and prepared by, a person acceptable to the Province, as the

Province may, from time to time, request in connection with this Agreement; and

- (g) indemnify and save harmless the Province and its employees and agents from any losses, claims, damages, actions, causes of action, costs and expenses that the Province or any of its employees or agents may sustain, incur, suffer or be put to at any time, either before or after this Agreement ends, which are based upon, arise out of or occur, directly or indirectly, by reason of, any negligent act or omission by BC Transit or by any of its agents, employees, officers, directors, or subcontractors in relation to this Agreement, other than the acceptance by BC Transit of the Contribution by the Province in accordance with the provisions of this Agreement.

APPROPRIATION

- 5.01 Notwithstanding any other provision of this Agreement, the payment of money by the Province to BC Transit pursuant to this Agreement is subject to:
 - (a) there being sufficient monies available in an appropriation, as defined in the FAA, to enable the Province in any fiscal year or part thereof when any such payment may be required, to make that payment; and
 - (b) Treasury Board, as defined in the FAA, not having controlled or limited, pursuant to the FAA, expenditure under any appropriation referred to in section 5.01(a).

ASSIGNMENT

- 6.01 BC Transit will not, without the prior written consent of the Province assign, either directly or indirectly, this Agreement or any right of BC Transit under this Agreement.

RELATIONSHIP

- 7.01 No partnership, joint venture, agency or other legal entity will be created by or will be deemed to be created by this Agreement or any actions of the Parties pursuant to this Agreement.
- 7.02 BC Transit will not be a dependant contractor, the servant, employee or agent of the Province under this Agreement.
- 7.03 BC Transit will not, in any manner whatsoever, commit or purport to commit the Province to the payment of money to any person, firm or corporation under this Agreement.

REPRESENTATIONS AND WARRANTIES

8.01 BC Transit represents and warrants to the Province, with the intent that the Province will rely thereon in entering into this Agreement, that:

- (a) there are no actions or proceedings pending (including appeals or applications for review) or to its knowledge threatened, before any court, arbitrator, administrative agency or governmental body which, if determined against it, would result in a change occurring in its properties, assets, condition (financial or otherwise), business or operations which would materially adversely affect its ability to fulfil its obligations under this Agreement;
- (b) it has the power and capacity to accept, execute and deliver this Agreement; and
- (c) this Agreement is binding upon, and enforceable against, BC Transit in accordance with its terms.

8.02 All representations, warranties, covenants and agreements made in this Agreement and all certificates and other documents delivered by or on behalf of BC Transit are material and will conclusively be deemed to have been relied upon by the Province, notwithstanding any prior or subsequent investigation by the Province.

8.03 The provisions of sections 8.01 and 8.02 will continue in full force and effect notwithstanding the fulfillment by BC Transit of any or all of its obligations under this Agreement or the one-time Contribution by the Province to BC Transit of any or all of the monies that the Province becomes liable to pay to BC Transit pursuant to this Agreement.

8.04 All statements contained in any certificate or other document delivered by or on behalf of BC Transit to the Province under, or in connection with, this Agreement will be deemed to be representations and warranties by BC Transit under this Agreement.

DEFAULT

9.01 Any of the following will constitute an event of default under this Agreement:

- (a) BC Transit fails to comply with a material provision of this Agreement, the Province provides written notice of the failure to comply to BC Transit,

and BC Transit does not cure the failure to comply within 10 business days of receipt of notice from the Province;

- (b) any representation or warranty made by BC Transit in accepting this Agreement is untrue or incorrect;
- (c) any information, statement, certificate, report or other document furnished or submitted by or on behalf of BC Transit pursuant to or as a result of this Agreement is materially untrue or incorrect;
- (d) a change occurs with respect to any one or more, including all, of the properties, assets, condition (financial or otherwise), business or operations of BC Transit which, in the opinion of the Province, materially adversely affects the ability of BC Transit to fulfil its obligations under this Agreement;
- (e) an order is made, or a resolution is passed, or a petition is filed for the liquidation or winding up of BC Transit;
- (f) BC Transit becomes insolvent or commits an act of bankruptcy or makes an assignment for the benefit of its creditors or otherwise acknowledges its insolvency; and
- (g) BC Transit substantially ceases to operate.

9.02 If an Event of Default occurs then, the Province may, at its option:

- (a) terminate this Agreement by written notice from the Province to BC Transit;
- (b) specify amounts, not to exceed in total the Contribution provided to BC Transit pursuant to this Agreement, that have not been accounted for and applied by BC Transit, that, within 10 business days of actual or deemed receipt by BC Transit of notice given by the Province to BC Transit, will become due and be payable by BC Transit to the Province; and
- (c) require BC Transit to make public the fact that an Event of Default has occurred.

NOTICES

- 10.01 Any notice, document, statement, report, demand or grant desired or required to be given or made pursuant to this Agreement will be in writing and may be given or made if delivered personally to the party to whom it is to be given or made, or if mailed in Canada with postage prepaid addressed to:
if to the Province:

Executive Director, Transit Branch
Ministry of Transportation and Infrastructure
940 Blanshard Street
Victoria, British Columbia
Canada, V8W 9T5

Attention: Executive Director, Transit Branch

and if to BC Transit:

Chief Financial Officer and Vice President, Finance
520 Gorge Road East
Victoria, British Columbia
Canada, V8T 2W6

Attention: Chief Financial Officer and Vice President, Finance

- 10.02 Any notice, document, statement, report or demand desired or required to be given or made pursuant to this Agreement may be transmitted by:

- (a) facsimile transmission from either Party, in which case it will be conclusively deemed validly given to and received by the intended recipient when so transmitted if transmitted to the following numbers:

If to the Province: 250-387-6431 (Deputy Minister's Office); and

If to BC Transit: 250-995-5693

- (b) email transmission from either Party to the email addresses provided below, or such other email address which a party may provide to the other Party, in writing, in which case any email sent will be deemed to have been received by the intended recipient upon return email acknowledgment by the recipient:

If to the Province: DeputyMinister.Transportation@gov.bc.ca;
and

If to BC Transit: Roland_Gehrke@BCTransit.com

- 10.03 Either Party may, from time to time, give written notice to the other Party of any change of address, facsimile number or email address of the party giving such notice and after the giving of such notice, the address, facsimile number or email address therein specified will, for purposes of this Agreement be conclusively deemed to be the address, facsimile number or email address of the Party giving such notice.

NON-WAIVER

- 11.01 No term or condition of this Agreement and no breach by one Party of any such term or condition will be deemed to have been waived unless such waiver is in writing signed by the other Party.
- 11.02 The written waiver by one Party of any breach by the other Party of any term or condition of this Agreement will not be deemed a waiver of such term or condition or of any subsequent breach by the other Party of the same or any other term or condition of this Agreement.

ENTIRE AGREEMENT

- 12.01 This Agreement constitutes the entire agreement between the Parties with respect to the subject matter of this Agreement.

FURTHER ACTS AND ASSURANCES

- 13.01 Each of the Parties will, upon the reasonable request of the other, make, do, execute or cause to be made, done or executed all further and other lawful acts, deeds, things, devices, documents, instruments and assurances whatever for the better and absolute performance of the terms and conditions of this Agreement.

TIME OF ESSENCE

- 14.01 Time will be of the essence of this Agreement.

SURVIVAL OF PROVISIONS

- 15.01 Sections 4.01(g), 6, 7, 9.02 and 10 to 19 of this Agreement and all of the rights and remedies of the Parties, either at law or in equity, will survive any expiration or sooner termination of this Agreement.

INTERPRETATION

- 16.01 This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia.
- 16.02 The headings appearing in this Agreement have been inserted for reference and as a matter of convenience and in no way define, limit or enlarge the scope of any provision of this Agreement.
- 16.03 Any reference to a statute in this Agreement, whether or not that statute has been defined, includes all regulations at any time made under or pursuant to that statute and amendments to that statute.
- 16.04 This Agreement will be interpreted and construed with such changes in number and gender as the context so requires.
- 16.05 The Schedules to this Agreement are integral parts of this Agreement as if set out at length in the body of this Agreement.
- 16.06 Any discretion or obligation of the Province under this Agreement may be exercised or performed by the Minister of Transportation and Infrastructure, the Deputy Minister of Transportation and Infrastructure, or any person authorized to act for, or on behalf of, either of them.

SUCCESSORS AND ASSIGNS

- 17.01 This Agreement will enure to the benefit of and be binding upon BC Transit and its successors and permitted assigns and the Province and its assigns.

DISPUTE RESOLUTION

- 18.01 Any disputes that arise under this Agreement will be addressed in the following steps:
- (a) referred to an 'Oversight Steering Committee' to be established, consisting of the Chief Executive Officer and Chief Financial Officer of BC Transit; and the Deputy Ministers of the Ministries of Transportation and

Infrastructure, and Finance, and. if unresolved after 20 business days;
then

- (b) referred to and finally resolved by arbitration pursuant to the *Arbitration Act*. The place of arbitration will be Victoria, British Columbia.

SEVERABILITY

19.01 If any provision of this Agreement is determined to be invalid, illegal or unenforceable, in whole or in part, it will be severable from this Agreement and the remaining provisions will not be affected and will continue in full force and effect to the extent permitted by law.

NO FETTER

20.01 Nothing in this Agreement is to be construed as interfering with, or fettering in any manner, the exercise by the Parties of any statutory power or duty.

EXECUTION BY COUNTERPARTS

21.01 This Agreement may be entered into by each Party signing a separate copy of this Agreement (including a photocopy, facsimile copy or pdf copy transmitted by email attachment) and delivering it to the other Party by facsimile transmission or by email.

Schedule "1"

TERMS AND CONDITIONS

Contribution

1. Base Operating Relief – further to section 4.01 (b) (Covenants of BC Transit), BC Transit will allocate the Contribution of \$86 million solely for the benefit of Local Government Partners, in a manner that will assist Local Government Partners to meet their share of costs to maintain affordable Essential Transit Service Levels during the COVID-19 pandemic recovery period. Such allocations are further described by transit system in Schedule "4". The basis of Contribution relief is further described in Schedule "3" and BC Transit will communicate such allocations further to section 9 of this Schedule "1".
2. BC Transit will apply the Contribution in the following order of priority:
 - (a) 100% of the Contribution is to be recognized as revenue to offset BC Transit's costs of providing transit services in the 2020/21 fiscal year; and
 - (b) any portion of Local Government Contributions received by (or owed to) BC Transit that is not applied by BC Transit to service costs in the 2020/21 fiscal year due to the receipt of the Contribution, will be i) deferred and accounted for by BC Transit as a deferred Local Transit Fund contribution at March 31, 2021; or ii) deferred and accounted for by BC Transit as a deferred VRTS Transit Fund contribution. Such deferred contributions will be applied at the discretion of Local Government Partners to offset their share of future transit costs. Specifically, BC Transit will continue to apply existing Local Government Partner cost-share ratios for conventional transit, custom transit and paratransit services, as outlined in section 5 of the Operating Program Contribution Agreement #CA180401OP, to budgeted eligible expenses when calculating the Local Government Contribution.
3. The intent of the Contribution and this Agreement is to allow Local Government Partners to benefit from the 2020/21 Contribution and to utilize deferred local Transit Fund or VRTS Transit Fund contributions to mitigate the operating impacts of COVID-19 on transit services in BC Transit's 2021/22 fiscal year and over the Term of this Agreement depending on assumptions (further described in Schedules "3" and "4").
4. BC Transit will use reasonable commercial efforts to achieve savings forecasts as described in Part A (Base Operating Relief) of Schedule "3" and will, further to section 7 of this Schedule "1", continue to pursue operational and administrative expense savings where possible, in order to help ensure the targeted Essential Transit Service Levels can be achieved and reduce annual service costs.

Services

5. BC Transit, in partnership with the Local Government Partners, will focus on effectively supporting the BC Restart Plan by working to maintain Essential Transit Service Levels for all residents in BC Transit's service areas, including BC Bus North, and to maintain capital in a state of good repair across BC Transit's responsibilities for transit vehicles and facilities.
6. Further to section 4.01 (d) (Covenants of BC Transit) with respect to an existing requirement that BC Transit enter into AOAs and AVSPs according to the Operating CA, BC Transit will enter into Revised AOAs and obtain approval for a Revised AVSP with each respective Local Government Partner in respect of the 2020/21 fiscal year, by December 31, 2020. The Revised AOA and Revised AVSP will adjust BC Transit's billings to Local Government Partners in a manner that will assist Local Government Partners to meet their share of costs to maintain affordable Essential Transit Service Levels during the Term of this Agreement.

BC Transit will work with its Local Government Partners to maintain service levels that adapt to changing demands (with upside capacity potential) while minimizing service disruptions, reductions or pass-up trends on any routes to the extent possible. Essential Transit Service Levels for each transit system are provided in Part C of Schedule "3".

7. While service levels are set by each Local Government Partner, the Contribution will be used to help ensure that the targeted Essential Transit Service Levels provided in Part C of Schedule "3" can be achieved. It is expected that achieving the Essential Transit Service Levels will alleviate need for workforce adjustments.
8. BC Transit will continue to work with WorkSafe BC and the Provincial Health Officer to ensure that transit services continue to remain safe and efficient and that opportunities are fully exploited to increase ridership and ridership capacity across all lines of BC Transit's transit services over the Term of this Agreement.

Fares

9. Further to section 4.01 (c) (Covenants of BC Transit), BC Transit will communicate to Local Government Partners by November 30, 2020 in a manner and form acceptable to the Province, the value of each Local Government's allocation of the Contribution as set out in Schedule "4", and that and that the Contribution is intended to assist Local Government Partners to maintain Essential Transit Service Levels while limiting average annual public fare increases to 2.3% per year during the Term of this Agreement.

Reporting

10. BC Transit will adhere to a continuous reporting schedule to the Province on the status of its operations and finances as they relate to COVID-19 impacts and recovery and mitigation strategies. To the extent possible, reporting is not intended to exceed information already provided to the BC Transit executive management. Unless otherwise mutually agreed by the Parties, BC Transit will provide the Province with:

Service Activity:

- (a) Monthly and cumulative activity reports for each of BC Transit's systems (or as mutually agreed with the Province). Such reports will include (but not be limited to) ridership/boardings; service hours; and for Tier 1 systems, system capacity and average utilization (ridership density per vehicle); and pass-up rates;
- (b) Monthly and cumulative COVID-19 incidence and response summary;
- (c) Quarterly reviews (to be provided within 20 business days after each fiscal quarter end starting September 30, 2020) of cumulative actual and expected ridership and service, along with updated forecasts to the end of fiscal years 2020/21 and 2021/22, along with changes in assumptions compared to those used to support BC Transit's request for financial assistance as described in Parts B and C of Schedule "3";
- (d) Four-year revised outlooks (to the end of fiscal year 2023/24) will be provided within 30 business days after the end of every six months starting September 30, 2020, along with an analysis of assumptions;

Financial Activity:

- (e) Monthly and quarterly actual cumulative activity reports for each of BC Transit's main revenue streams; COVID- 19 – related operating costs; and progress of achieving savings measures assumed in the forecasts used to support BC Transit's request for financial assistance described in Part A Schedule "3";
- (f) Quarterly reviews (to be provided within 20 business days after each fiscal quarter end starting September 30, 2020) of cumulative actual and expected financial operating results (including cumulative actual and expected capital and borrowing/liquidity results), along with updated forecasts (high, medium, low-case scenarios) to the end of fiscal years 2020/21 and 2021/22, including changes in assumptions compared to those used to support BC Transit's request (on behalf of the Local Government Partners) for financial assistance as described in Part A of Schedule "3"; and
- (g) Four-year revised outlooks (to the end of fiscal year 2023/24) will be provided within 30 business days after the end of every six months starting September 30, 2020, along with an analysis of assumptions.

11. BC Transit will provide a public reporting on the use and results achieved in relation to the Contribution within its annual public reports.

Borrowing/Liquidity

12. BC Transit acknowledges that the Contribution will significantly improve the liquidity of BC Transit and the Local Government Partners in the near term and, together with other operating, liquidity and financing strategies available to BC Transit, will assist BC Transit and the Local Government Partners with weathering any additional impacts caused by COVID-19.
13. BC Transit will fully use its available financial resources, including amending internal liquidity policies as applicable and necessary (e.g. accessing established reserve funds and pursuing sinking fund contribution holidays or triggering sinking fund investment gains); deferring capital expenses and reviewing operating expenses and pursuing additional borrowing in accordance with the *British Columbia Transit Act* and *FAA*, to meet its financial requirements over the Agreement Term, in order to manage negative risks to the medium case scenario in Part A of Schedule "3".

Privacy and Communications

14. BC Transit will ensure that the Province is provided materials in advance, given reasonable opportunity to review and gives prior consent on all public communications, including communications with the Local Government Partners, regarding the Contribution and this Agreement.
15. Subject to laws that apply, the Parties will ensure that any information received by the Province or BC Transit under this Agreement is kept confidential and will not be made public without prior mutual consent of the Parties.

Schedule "2"



September 12, 2020

The Honourable Claire Trevena, M.L.A.
Minister of Transportation and Infrastructure
PO Box 9055 Prov Stn Govt
Victoria BC V8W 9E2

Dear Minister,

Subject: BC Transit Safe Restart Funding

As we move from response to recovery over the coming months in alignment with the provincial Restart Plan, BC Transit welcomes the support from both the Province of BC and the federal government's Safe Restart program to ensure funding support is available to assist with the unprecedented financial impact of COVID-19 on our transit systems.

Prior to the onset of this pandemic, demand for public transit was at an historic high. As we know, public transportation plays a crucial role in local communities including supporting economic growth, providing affordable and accessible mobility options, easing and mitigating congestion and is a key contributor to meeting the Province's Clean BC objectives. For these reasons, it is imperative that transit service continues to be a priority in urban and rural communities.

BC Transit worked closely with the Ministry of Finance and the Ministry of Transportation and Infrastructure to establish this financial forecast, which included three scenarios based on ridership recovery estimates (low, medium, and high). In total, the revenue shortfall and increased expenditures associated with COVID-19, net of operational efficiencies identified, is anticipated to be \$86 million based on a medium range ridership recovery of 55 per cent by 2021/22.

Due to COVID-19, ridership in BC Transit's communities experienced a dramatic 70 to 80 per cent ridership loss starting in March 2020, resulting in significant revenue losses for local governments. This revenue loss and impacts to local partners was further exacerbated when fare collection was temporarily discontinued to enable rear-door boarding during the height of the pandemic response. This difficult decision was made to facilitate measures for physical distancing and protect the health and safety of our operators and customers. Given transit's designation as an essential service, it was imperative that service levels remain high enough to facilitate the continued mobility of essential service workers and those needing affordable and reliable access for shopping, to and from work, medical appointments and other key destinations.

Since the announcement of BC's Restart Plan in June 2020, ridership has gradually improved and, with the installation of driver doors, farebox revenue collection has been reinstated. However, the pandemic has altered mobility patterns, and while BC Transit is monitoring and analyzing trends closely, there remains significant uncertainty in communities about the speed in which ridership recovery will occur. This continues to impact local government partners immensely, as they rely heavily on farebox revenue to fund their share of transit investment. In addition, property taxes

make up the remaining funding for local government partners. At this time, the impacts of residential and commercial property tax revenue are unknown, putting additional pressure to ensure stable farebox recovery. Revenue losses are forecast to be approximately \$44 million in 2020/21 and \$35 million in 2021/22. The Victoria Regional Transit Commission's financial outlook is further impacted by the decrease in fuel tax revenue, which is estimated to be \$2 million in 2020/21 and \$1 million in 2021/22.

COVID-19 has also presented significant cost increases associated with new operational protocols, including health and safety protections such as personal protective equipment (PPE), enhanced cleaning, and changes to office, maintenance shops, and depot standards. In addition, as endorsed by Dr. Henry, with mandatory masks being required as of August 24, there are additional costs for signage and communications in order to improve overall public safety on transit. It is estimated that increased operational costs associated with COVID-19 are \$6 million in 2020/21 and \$5 million in 2021/22. To offset revenue losses and these increased operational expenses, minor service reductions have been implemented, service expansions were deferred, and other operational efficiencies were achieved, resulting in savings of \$7 million in 2020/21 and \$3 million in 2021/22.

Despite this challenging outlook, support for transit investment remains high amongst local government partners. The value of public transportation is recognized as a key contributor to economic growth and climate change goals, and they have expressed a strong desire to maintain the momentum transit was experiencing before the pandemic. Financial support of \$86 million from both the Province and the federal government will ensure appropriate service levels can be maintained and mitigate any customer or labour force impacts that would otherwise result from significant service reductions. With this funding, BC Transit will work closely with local partners to ensure that transit service remains affordable, that core service levels are protected and encourage customers to return to using transit. Given the uncertainty of the future impacts of COVID-19, BC Transit will continue to monitor ridership levels, increased costs and loss of revenue and report to the Province the financial requirements of maintaining transit services.

On behalf of BC Transit and its Board of Directors, I would like to express my appreciation to both the Province of BC and the Government of Canada for recognizing the importance of public transit and working closely with us to ensure BC Transit remains viable, reliable and affordable as we move through the next two years of this unprecedented event.

Best regards,



Catherine Holt
Board Chair

cc: Grant Main, Deputy Minister of Transportation and Infrastructure
Deborah Bowman, Assistant Deputy Minister, Transportation Policy & Programs Department
Nancy Bain, Assistant Deputy Minister & EFO, Finance and Management Services Department
Erinn Pinkerton, President and Chief Executive Officer, BC Transit

Schedule “3”

- Part A – Financial Assumptions**
- Part B – Ridership Assumptions**
- Part C – Essential Transit Service Levels**

Part A – Financial Assumptions

Base Operating Relief (Revenue Losses) and Base Operating Relief (COVID-19 Operating Costs) – Medium Case Scenario

Figure 1 – Base Operating Relief – BC Transit Forecast of Financial Impacts of COVID – 19 – August 2020

	2020/21	2021/22	2022/23	2023/24
BEST CASE SCENARIO				
Revenue Loss	41,065	28,489	15,122	7,959
Expense Savings	-6,820	-3,382	0	0
Reinvestment to Services	0	7,003	0	0
COVID-19 costs	5,570	4,800	4,800	0
Net Funding Required	39,815	36,910	19,922	7,959
MID CASE SCENARIO				
Revenue Loss	43,828	35,001	27,061	15,122
Expense Savings	-6,820	-3,382	0	0
Reinvestment to Services	0	7,003	0	0
COVID-19 costs	5,570	4,800	4,800	0
Net Funding Required	42,578	43,422	31,861	15,122
WORST CASE SCENARIO				
Revenue Loss	46,032	44,769	38,204	38,204
Expense Savings	-6,820	-3,382	0	0
Reinvestment to Services	0	7,003	0	0
COVID-19 costs	5,570	4,800	4,800	0
Net Funding Required	44,782	53,190	43,004	38,204

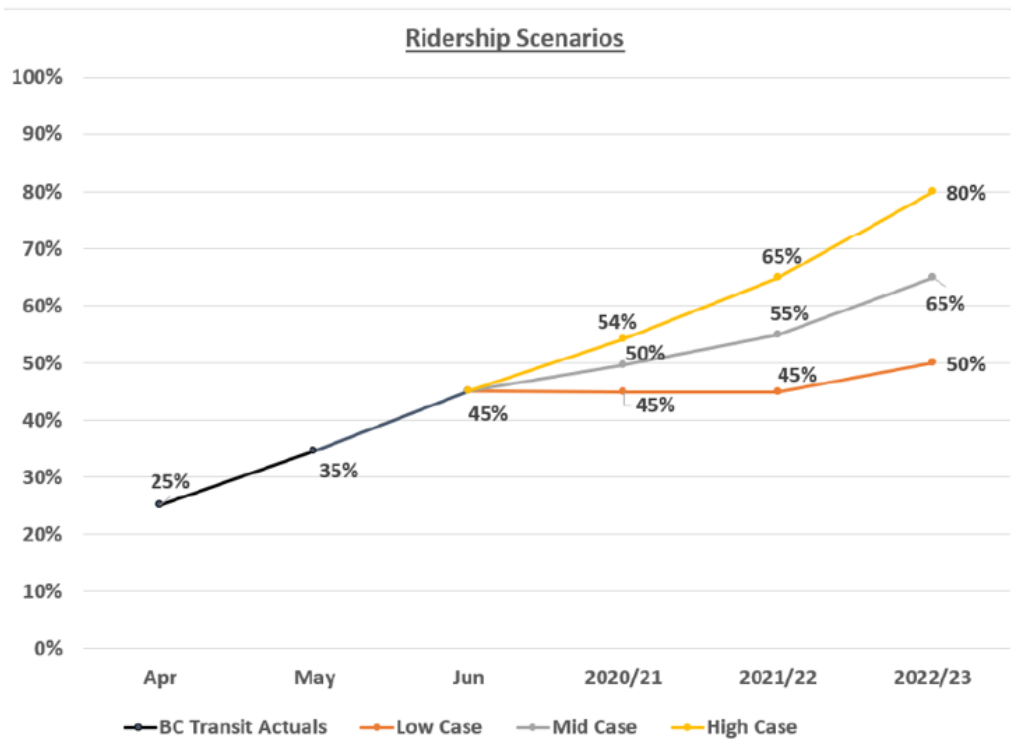
Under the *British Columbia Transit Act*, the responsibility for setting fares resides with the Local Government Partners. The revenue forecasts in BC Transit’s 2020/21 – 2022/23 Service Plan and the modelling undertaken in support of the BC Transit request for financial assistance assumes that there will be no fare increases during the multi-year period ending March 31, 2024. Typically, the Local Government Partners do not make annual adjustments to fares, with modest fare adjustments normally implemented every three to five years.

The Contribution is intended to assist Local Government Partners with limiting average annual public fare increases to 2.3% in each of BC Transit’s 2021/22 – 2023/24 fiscal years. Additionally, BC Transit will continue to pursue operational and administrative expense savings where possible, in order to maximize service availability and reduce annual service costs.

Part B – Ridership Assumptions

Although ridership remains lower than historic levels (as of early September 2020, ridership was 41% of levels in September 2019) it will be important to continue to operate as close to 100% of planned revenue service hours in order to facilitate physical distancing of riders.

Figure 2 – BC Transit Forecast of Ridership (Low, Mid (Medium), High Cases – August 2020



Part C – Essential Transit Service Levels

Essential Transit Service Levels

- Each year, BC Transit enters into either an AOA, or an AVSP with each of the Local Government Partners.
- Each AOA includes the number of revenue service hours that will be provided in each community (conventional, custom and paratransit) and forms the basis of what the Local Government Partners' share of transit operating costs will be in a given year.
- In response to the COVID-19 pandemic, most communities made modest adjustments to their transit schedules (namely adopting their spring service schedules approximately two weeks earlier than normal, adopting summer service schedules approximately two weeks earlier, and making modest reductions to some fall schedules in recognition that most universities and colleges have implemented on-line learning options for Fall 2020 and many employees are continuing to work from home.
- Cutting service hours beyond the reductions that were made between May and September 2020 poses a significant risk to reestablishing ridership, as when riders are not able to physically distance, they will likely be deterred from returning to or continuing to use public transit.
- The Contribution assumes the mid (medium)-case scenario for ridership recovery (Figure 2) and projected ongoing revenue shortfalls (Figure 1). The Contribution is intended to help ensure Local Government Partners are able to continue to provide the targeted Essential Transit Service Levels while continuing to keep fares affordable.
- BC Transit will be expected to work with its Local Government Partners to help ensure that the Essential Transit Service Level targets provided in Figure 3 can be achieved. For further clarity, the breakdown of service hours for each transit system is provided in Figures 4 – 6.

Figure 3 – Total Revenue Service Hours (Forecast and Targeted Essential Transit Service Levels)

2020/21		2021/22	2022/23
Targeted Essential Service	Forecast Service at Q2 (COVID-19 adjusted)	Targeted Essential Service	Targeted Essential Service
2,513,151	2,419,372	2,513,151	2,513,151

Figure 4 – Forecast and Targeted Essential Transit Service Levels (revenue service hours) - Conventional Transit (by Transit System)

Transit System	Tier	Service Type	2020/21		2021/22	2022/23
			Forecasted Service	Targeted Essential Service	Targeted Essential Service	Targeted Essential Service
VICTORIA REGIONAL TRANSIT CONVENTIONAL	1	CON	810,389	864,375	864,375	864,375
BC BUS NORTH	1	CON	5,554	5,554	5,554	5,554
CENTRAL FRASER VALLEY CONVENTIONAL	1	CON	113,960	121,704	121,704	121,704
KAMLOOPS CONVENTIONAL	1	CON	119,697	122,358	122,358	122,358
KELOWNA/ CENTRAL OKANAGAN CONVENTIONAL	1	CON	192,168	208,278	208,278	208,278
NANAIMO CONVENTIONAL	1	CON	132,225	135,640	135,640	135,640
PRINCE GEORGE CONVENTIONAL	1	CON	68,302	68,302	68,302	68,302
WHISTLER CONVENTIONAL	1	CON	72,854	74,751	74,751	74,751
CAMPBELL RIVER CONVENTIONAL	2	CON	26,942	26,942	26,942	26,942
CHILLIWACK CONVENTIONAL	2	CON	42,043	42,043	42,043	42,043
COMOX VALLEY CONVENTIONAL	2	CON	32,600	32,600	32,600	32,600
COWICHAN VALLEY COMMUTER CONVENTIONAL	2	CON	5,156	5,156	5,156	5,156
COWICHAN VALLEY CONVENTIONAL	2	CON	31,436	31,436	31,436	31,436
FRASER VALLEY EXPRESS CONVENTIONAL	2	CON	14,278	14,278	14,278	14,278
NORTH OKANAGAN CONNECTOR CONVENTIONAL	2	CON	4,834	5,222	5,222	5,222
PENTICTON CONVENTIONAL	2	CON	23,120	23,271	23,271	23,271
VERNON/ COLDSTREAM CONVENTIONAL	2	CON	34,614	34,614	34,614	34,614
CRANBROOK CONVENTIONAL	3	CON	12,006	12,006	12,006	12,006
DAWSON CREEK CONVENTIONAL	3	CON	4,696	4,696	4,696	4,696
FORT ST JOHN CONVENTIONAL	3	CON	11,011	11,011	11,011	11,011
KITIMAT CONVENTIONAL	3	CON	9,111	9,210	9,210	9,210
KOOTENAY BOUNDARY CONVENTIONAL	3	CON	19,710	19,710	19,710	19,710
NELSON CONVENTIONAL	3	CON	11,750	11,750	11,750	11,750
SOUTH OKANAGAN CONNECTOR	3	CON	1,771	1,771	1,771	1,771
PORT ALBERNI CONVENTIONAL	3	CON	12,382	12,382	12,382	12,382
POWELL RIVER CONVENTIONAL	3	CON	10,376	11,743	11,743	11,743
PRINCE RUPERT CONVENTIONAL	3	CON	9,894	9,894	9,894	9,894
SQUAMISH CONVENTIONAL	3	CON	19,029	19,899	19,899	19,899
SUNSHINE COAST CONVENTIONAL	3	CON	28,283	31,713	31,713	31,713
TERRACE CONVENTIONAL	3	CON	8,312	8,312	8,312	8,312
YOUNBOU CONVENTIONAL	3	CON	3,655	3,655	3,655	3,655

Figure 5 – Forecast and Targeted Essential Transit Service Levels (revenue service hours) – Custom Transit (by Transit System)

Transit System	Tier	Service Type	2020/21		2021/22	2022/23
			Forecasted Service	Targeted Essential Service	Targeted Essential Service	Targeted Essential Service
VICTORIA CUSTOM	1	CUS	126,830	126,830	126,830	126,830
CENTRAL FRASER VALLEY CUSTOM	1	CUS	27,116	27,116	27,116	27,116
KAMLOOPS CUSTOM	1	CUS	30,211	30,211	30,211	30,211
KELOWNA CUSTOM	1	CUS	36,599	36,599	36,599	36,599
NANAIMO CUSTOM	1	CUS	28,037	28,037	28,037	28,037
PRINCE GEORGE CUSTOM	1	CUS	13,545	13,545	13,545	13,545
CAMPBELL RIVER CUSTOM	2	CUS	6,080	6,080	6,080	6,080
CHILLIWACK CUSTOM	2	CUS	12,015	12,015	12,015	12,015
PENTICTON CUSTOM	2	CUS	4,016	4,016	4,016	4,016
VERNON CUSTOM	2	CUS	13,410	13,410	13,410	13,410
ALBERNI-CLAYOQUOT CUSTOM	3	CUS	6,706	6,706	6,706	6,706
COWICHAN CUSTOM	3	CUS	9,786	9,786	9,786	9,786
CRANBROOK CUSTOM	3	CUS	4,627	4,627	4,627	4,627
FORT ST JOHN CUSTOM	3	CUS	8,086	8,086	8,086	8,086
KITIMAT CUSTOM	3	CUS	4,563	5,313	5,313	5,313
KOOTENAY BOUNDARY CUSTOM	3	CUS	4,500	4,500	4,500	4,500
PRINCE RUPERT CUSTOM	3	CUS	1,828	1,828	1,828	1,828
SQUAMISH CUSTOM	3	CUS	3,319	3,319	3,319	3,319
SUNSHINE COAST CUSTOM	3	CUS	3,610	3,610	3,610	3,610
TERRACE CUSTOM	3	CUS	2,143	2,143	2,143	2,143

Figure 6 – Forecast and Targeted Essential Transit Service Levels (revenue service hours) - Conventional Transit (by Transit System)

Transit System	Tier	Service Type	2020/21		2021/22	2022/23
			Forecasted Service	Targeted Essential Service	Targeted Essential Service	Targeted Essential Service
COMOX VALLEY PARA TRANSIT	2	PAR	14,047	14,047	14,047	14,047
PRINCE GEORGE COMMUNITY BUS	2	PAR	4,962	4,962	4,962	4,962
100 MILE HOUSE PARA TRANSIT	3	PAR	3,170	3,170	3,170	3,170
AGASSIZ-HARRISON PARA TRANSIT	3	PAR	5,389	5,389	5,389	5,389
ASH-CACHE-CLINT PARA TRANSIT	3	PAR	2,277	2,277	2,277	2,277
BELLA COOLA PARA TRANSIT	3	PAR	3,642	3,642	3,642	3,642
BOUNDARY PARA TRANSIT	3	PAR	1,625	1,625	1,625	1,625
BULKLEY-NECHAKO	3	PAR	2,694	2,694	2,694	2,694
CLEARWATER PARA TRANSIT	3	PAR	2,883	2,883	2,883	2,883
COLUMBIA VALLEY PARA TRANSIT	3	PAR	3,480	3,480	3,480	3,480
CRESTON PARA TRANSIT	3	PAR	4,764	4,764	4,764	4,764
ELK VALLEY PARA TRANSIT	3	PAR	2,988	2,988	2,988	2,988
HAZELTON PARA TRANSIT	3	PAR	2,586	2,586	2,586	2,586
HOPE PARA TRANSIT	3	PAR	2,641	2,641	2,641	2,641
HWY 16 PARA TRANSIT	3	PAR	3,205	3,205	3,205	3,205
KIMBERLEY PARA TRANSIT	3	PAR	7,287	7,287	7,287	7,287
KOOTENAY WEST PARA TRANSIT	3	PAR	15,303	15,303	15,303	15,303
MERRITT PARA TRANSIT	3	PAR	7,022	7,022	7,022	7,022
MOUNT WADDINGTON PARA TRANSIT	3	PAR	4,576	4,576	4,576	4,576
NORTH OKANAGAN PARA TRANSIT	3	PAR	5,139	5,139	5,139	5,139
OKANAGAN-SIMILKAMEEN PARA TRANSIT	3	PAR	3,370	3,370	3,370	3,370
OSOYOOS PARA TRANSIT	3	PAR	2,438	2,438	2,438	2,438
PEACHLAND PARA TRANSIT	3	PAR	2,833	2,833	2,833	2,833
PEMBERTON PARA TRANSIT	3	PAR	4,980	4,912	4,912	4,912
PORT EDWARD PARA TRANSIT	3	PAR	1,037	2,091	2,091	2,091
POWELL RIVER (DIST) PARA TRANSIT	3	PAR	4,148	4,148	4,148	4,148
QATHET DIST PARA TRANSIT	3	PAR	2,938	2,938	2,938	2,938
PRINCETON PARA TRANSIT	3	PAR	2,246	2,246	2,246	2,246
QUESNEL PARA TRANSIT	3	PAR	10,644	10,644	10,644	10,644
REVELSTOKE PARA TRANSIT	3	PAR	6,011	6,011	6,011	6,011
SALTSPRING ISLAND PARA TRANSIT	3	PAR	8,362	8,288	8,288	8,288
SHUSWAP PARA TRANSIT	3	PAR	11,686	11,686	11,686	11,686
SKEENA REGIONAL PARA TRANSIT	3	PAR	4,416	4,416	4,416	4,416
SMITHERS PARA TRANSIT	3	PAR	4,051	4,051	4,051	4,051
SUMMERLAND PARA TRANSIT	3	PAR	3,891	3,891	3,891	3,891
WILLIAMS LAKE PARA TRANSIT	3	PAR	10,724	10,724	10,724	10,724

Schedule "4" – Contribution Allocated by Transit System

Transit System	SERVICE TYPE	Total Relief Funding
VICTORIA REGIONAL TRANSIT CONVENTIONAL	CON	42,102,810
CAMPBELL RIVER CONVENTIONAL	CON	651,079
CENTRAL FRASER VALLEY CONVENTIONAL/COMM BUS	CON	3,085,670
CHILLIWACK CONVENTIONAL	CON	882,896
COMOX VALLEY CONVENTIONAL	CON	786,926
COWICHAN VALLEY COMMUTER CONVENTIONAL	CON	607,669
COWICHAN VALLEY CONVENTIONAL	CON	505,071
CRANBROOK CONVENTIONAL	CON	221,471
DAWSON CREEK CONVENTIONAL	CON	62,478
FORT ST JOHN CONVENTIONAL	CON	180,385
FRASER VALLEY EXPRESS CONVENTIONAL	CON	1,029,751
KAMLOOPS CONVENTIONAL/COMM BUS	CON	4,105,734
KELOWNA/CENTRAL OKANAGAN CONVENTIONAL/COMM BUS	CON	7,040,376
KITIMAT CONVENTIONAL	CON	185,774
KOOTENAY BOUNDARY CONVENTIONAL	CON	416,644
NANAIMO CONVENTIONAL	CON	4,601,125
NELSON CONVENTIONAL	CON	414,449
NORTH OKANAGAN CONNECTOR CONVENTIONAL	CON	144,294
PENTICTON CONVENTIONAL	CON	465,975
SOUTH OKANAGAN CONNECTOR	CON	34,857
PORT ALBERNI CONVENTIONAL	CON	261,913
POWELL RIVER CONVENTIONAL	CON	236,584
PRINCE GEORGE CONVENTIONAL	CON	2,243,386
PRINCE RUPERT CONVENTIONAL	CON	323,231
SQUAMISH CONVENTIONAL	CON	341,669
SUNSHINE COAST CONVENTIONAL	CON	793,496
TERRACE CONVENTIONAL	CON	194,117
VERNON/COLDSTREAM CONVENTIONAL	CON	333,958
WHISTLER CONVENTIONAL	CON	3,092,015
YOUBOU CONVENTIONAL	CON	21,465
Conventional		75,367,870
VICTORIA CUSTOM	CUS	543,439
ALBERNI-CLAYOQUOT CUSTOM	CUS	47,265
CAMPBELL RIVER CUSTOM	CUS	45,655
CENTRAL FRASER VALLEY CUSTOM	CUS	267,014
CHILLIWACK CUSTOM	CUS	104,547
COWICHAN CUSTOM	CUS	77,484
CRANBROOK CUSTOM	CUS	39,777
FORT ST JOHN CUSTOM	CUS	69,881
KAMLOOPS CUSTOM	CUS	247,126
KELOWNA CUSTOM	CUS	300,817
KITIMAT CUSTOM	CUS	31,437
KOOTENAY BOUNDARY CUSTOM	CUS	26,936
NANAIMO CUSTOM	CUS	244,407
PENTICTON CUSTOM	CUS	29,265
PRINCE GEORGE CUSTOM	CUS	123,369

Transit System	SERVICE TYPE	Total Relief Funding
PRINCE RUPERT CUSTOM	CUS	3,426
SQUAMISH CUSTOM	CUS	18,855
SUNSHINE COAST CUSTOM	CUS	21,118
TERRACE CUSTOM	CUS	17,658
VERNON CUSTOM	CUS	128,100
Custom		2,393,576
100 MILE HOUSE PARA TRANSIT	PAR	18,701
AGASSIZ-HARRISON PARA TRANSIT	PAR	109,923
ASH-CACHE-CLINT PARA TRANSIT	PAR	24,651
BELLA COOLA PARA TRANSIT	PAR	26,400
BOUNDARY PARA TRANSIT	PAR	13,995
BULKLEY-NECHAKO	PAR	37,271
CLEARWATER PARA TRANSIT	PAR	27,111
COLUMBIA VALLEY PARA TRANSIT	PAR	19,532
COMOX VALLEY PARA TRANSIT	PAR	113,766
CRESTON PARA TRANSIT	PAR	32,116
ELK VALLEY PARA TRANSIT	PAR	27,867
HAZELTON PARA TRANSIT	PAR	24,935
HOPE PARA TRANSIT	PAR	21,176
HWY 16 PARA TRANSIT	PAR	31,431
KIMBERLEY PARA TRANSIT	PAR	86,237
KOOTENAY WEST PARA TRANSIT	PAR	158,908
MERRITT PARA TRANSIT	PAR	95,635
MOUNT WADDINGTON PARA TRANSIT	PAR	68,531
NORTH OKANAGAN PARA TRANSIT	PAR	57,170
OKANAGAN-SIMILKAMEEN PARA TRANSIT	PAR	36,169
OSOYOOS PARA TRANSIT	PAR	31,858
PEACHLAND PARA TRANSIT	PAR	27,922
PEMBERTON PARA TRANSIT	PAR	212,891
PORT EDWARD PARA TRANSIT	PAR	55,337
POWELL RIVER (DIST) PARA TRANSIT	PAR	32,159
QATHET DIST PARA TRANSIT	PAR	21,988
PRINCE GEORGE COMMUNITY BUS	PAR	26,829
PRINCETON PARA TRANSIT	PAR	22,656
QUESNEL PARA TRANSIT	PAR	132,601
REVELSTOKE PARA TRANSIT	PAR	40,153
SALT SPRING ISLAND PARA TRANSIT	PAR	224,354
SHUSWAP PARA TRANSIT	PAR	130,646
SKEENA REGIONAL PARA TRANSIT	PAR	65,143
SMITHERS PARA TRANSIT	PAR	42,034
SUMMERLAND PARA TRANSIT	PAR	24,265
WILLIAMS LAKE PARA TRANSIT	PAR	116,195
Paratransit		2,238,554
Unallocated BCT Contingency (to be allocated by 31 March 2021)		6,000,000
		86,000,000