



VIA EMAIL

(original to follow by mail)

December 28, 2011

Mr. Martin Crilly
Regional Transportation Commissioner
290 Longview Road
Comox, British Columbia
V9M 3T7

Dear Mr. Crilly:

Re: Application for Approval of a Supplementary Fare Increase

In accordance with Section 223(1)(a) of the *South Coast British Columbia Transportation Authority Act* (the "Act"), application is hereby made for a supplementary fare increase, specifically an increase to the price of cash fares and FareSaver tickets as documented in Appendix 9 of the "Funding Stabilization" 10-Year Transportation and Financial Plan ("Funding Stabilization Plan"), commencing January 1, 2013.

In compliance with the requirements of the *Act*, TransLink submitted the following documents to the Mayors' Council on Regional Transportation ("Mayors' Council") and the Regional Transportation Commissioner ("Commissioner"):

Document	Date submitted to Mayors' Council and Commissioner
<ul style="list-style-type: none">• "Funding Stabilization" 10-Year Transportation and Financial Plan and associated bylaws and resolutions in relation to revenue measures and borrowing limits;	<ul style="list-style-type: none">• July 30, 2009
<ul style="list-style-type: none">• 2012 Base Plan and Outlook	<ul style="list-style-type: none">• July 29, 2011
<ul style="list-style-type: none">• 2012 Supplemental Plan and Outlook – "Moving Forward: Improving Metro Vancouver's Transportation Network"	<ul style="list-style-type: none">• September 26, 2011

TransLink

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South Coast British Columbia
Transportation Authority

On October 23, 2009, the Mayors' Council approved the Funding Stabilization Plan which included the following increases to funding sources:

- Fuel tax revenues – increase rate by 3 cents per litre effective January 1, 2010;
- Fares – increase in 2010 revenues of 7 per cent over 2009, with rate increases in 2010 (5.2 per cent) and 2013 (6.4 per cent), over what is legislatively permitted under a base plan;
- Parking sales tax – increase rate from 7 per cent to 21 per cent effective January 1, 2010.

The increases to both the fuel tax revenues and parking sales tax have been implemented.

Under the Funding Stabilization Plan, fare increases to provide an additional 7% increase over 2009 transit revenues were proposed and approved, generating \$260 million over the 10-year period. The revenues generated by the supplemental fare increases in 2013 are produced by a fare rate increase of 6.4% over and above the increases assumed in the 2010 "Drastic Cuts" 10-Year Transportation and Financial Plan. This additional revenue will be generated by increases to all fare products. Cash fares and FareSaver tickets are deemed to be short-term fares under the Act and proposed increases require the approval of the Commissioner.

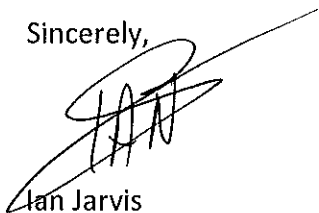
In support of this application and as required under Section 223(3) of the Act, we reference the following documents, all of which have been previously submitted to you or are posted on TransLink's website:

- (a) The current strategic plan (2011 Base Plan and Outlook "Funding Stabilization Update"), the pending strategic plan (2012 Base Plan and Outlook & 2012 Moving Forward Supplemental Plan), and the current service, capital and operational plans (2011 Business Plan, Operating and Capital Budget Summary);
- (b) A record setting out the parameters and assumptions used in the financial projections of TransLink (Pages 56 and 57 of the 2012 Base Plan and Outlook);
- (c) A record setting out TransLink's expenditures and revenue in the previous fiscal year (2010 Statutory Annual Report, Section B "The Audited Financial Statements for the Year"); and
- (d) A record setting out an estimate, for the current fiscal year, of TransLink's expenditures and revenue (Appendix 3 of the 2012 Base Plan and Outlook).

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Further, in response to your Requests #1 & #2, dated December 18th and 19th, 2011 respectively, we commit to issuing formal responses no later than January 31, 2012. If you require any further documents in support of our application, we would be pleased to provide them.

Sincerely,

A handwritten signature in black ink, appearing to read 'IAN', with a large, sweeping flourish extending upwards and to the right.

Ian Jarvis
Chief Executive Officer