



To: Richmond City Council **Date:** November 7, 2001
From: Councillor Lyn Greenhill **File:** 1000-03-006
Chair, Public Works & Transportation
Committee
Re: **PROVINCIAL GOVERNMENT REVIEW OF ICBC PROGRAMS – POTENTIAL
IMPACT ON CITY INITIATIVES**

The Public Works & Transportation Committee, at its meeting held on December 5th, 2001, considered the attached report, and recommends as follows:

Committee Recommendation

- (1) That the benefits and success of the partnership between the City, other local agencies and ICBC in the undertaking of various pedestrian and traffic safety programs, be conveyed to ICBC, the Ministry of Finance, the Provincial Government ministry responsible for ICBC, and Richmond's three MLAs.**
- (2) That the Provincial Government be urged to retain funding, through ICBC or another appropriate ministry or agency, for the pedestrian and traffic safety programs that provide net benefits to society.**
- (3) That the above recommendations be conveyed to the member municipalities of the Greater Vancouver Regional District and the Union of British Columbia Municipalities.**

Councillor Lyn, Chair
Public Works & Transportation Committee

Attach.

VARIANCE

Please note that staff recommended the following for Part (1):

- (1) That the benefits and success of the partnership between the City, other local agencies and ICBC in the undertaking of various pedestrian and traffic safety programs, be conveyed to ICBC, and the Ministry of Finance, the Provincial Government ministry responsible for ICBC.

STAFF REPORT

ORIGIN

Following the provincial government election in May 2001, the new Liberal government initiated a comprehensive review, known as a core review. The review encompasses the services and activities of the direct government and its 20 ministries as well as 21 Crown corporations and over 970 agencies, boards and commissions. The purpose of the review is to determine which services are to remain in the core of government and which should be classified as non-essential. As a Crown corporation, the Insurance Corporation of British Columbia (ICBC) is subject to this review and is currently undergoing a corporate restructuring process that will eliminate up to 800 jobs under the direction of its new chairman and board of directors, who were appointed in July 2001.

This report discusses the scope of the review at ICBC, the ICBC-funded programs that benefit the City and the potential impact on the City should the programs be discontinued as a result of the core review.

ANALYSIS

1. Scope of Core Review

The core review encompasses the assessment of all ICBC programs, activities and service delivery options with a particular focus on the areas described below.

Privatization

During the campaign prior to the provincial government election in May 2001, BC Liberal Party leader Gordon Campbell was reported as stating that a Liberal government would not privatize ICBC but would seek to have the company operate more efficiently. The new ICBC chairman has since stated that the board's mandate is to have the corporation break even and to operate the company as if it was a private sector operation. It has been reported that the review includes the possibility of privatizing some of ICBC's operations.

Increased Competition for Auto Insurance

One of the provincial government's election promises was to lower automobile insurance premium costs by introducing greater competition and increased consumer choice in the provision of third-party liability coverage. Currently, this mandatory \$200,000 coverage is provided by ICBC exclusively with private insurers limited to providing optional coverage over and above this amount. The government proposes to end ICBC's monopoly by allowing private sector insurance brokers to offer third-party liability coverage.

Transfer of Services and Programs

ICBC currently has five primary lines of business: driver services including licensing, insurance services, road safety services including road improvements and red light cameras, commercial vehicle services including safety inspections and the operation of weigh scales, and claim services. In addition to the possibility of privatizing some of these operations, Gordon Campbell indicated during the election campaign that existing ICBC activities formerly performed by the government might be transferred back to the government agent. The possible activities to be transferred are likely the operations of the Motor Vehicle Branch, including driver services and commercial vehicle services, which were transferred to ICBC in 1996. The rationale is that the costs of these activities are currently hidden within automobile insurance rates, which prevents ICBC from providing automobile insurance at the best possible rate.

Investment Policy

The provincial government and the new ICBC chairman of the board have expressed concerns regarding ICBC's investment policy with respect to the management of its claims reserves, particularly its real estate purchases and other socially oriented investments. The chairman of ICBC has stated that the reserves are intended to pay for claims, not to "provide for social investments that don't match the claims liabilities of the company."

2. ICBC Programs

ICBC currently operates a series of road safety programs in conjunction with communities and stakeholder groups. The agency also develops and manages a number of public education initiatives in partnership with local Autoplan insurance brokers under the umbrella name of RoadSense. According to the agency's annual report for 2000, ICBC provided funding of nearly \$48 million towards engineering and enforcement programs, such as intersection safety cameras and road improvements, and a further \$20 million for educational, research and advertising programs.

The City benefits greatly from ICBC-funded programs both directly in partnership with ICBC and indirectly through ICBC's partnership with other local agencies. An overview of the various local ICBC programs and their results and benefits is provided below.

2.1 Road Safety Improvement Program

In partnership with the City, ICBC partially or wholly funds road safety improvements that are intended to reduce the frequency and severity of traffic collisions. The program covers a broad range of both retrofit and proactive traffic engineering projects that include pedestrian and traffic safety enhancements:

- *Traffic Safety Audits* – review the functional designs of roadways and intersections to identify possible design modifications to enhance traffic safety.
- *Traffic Safety Studies* – identify the contributing factors to vehicular accidents on selected corridors or intersections and develop a set of remedial measures such as roadway improvements and traffic management initiatives.
- *Infrastructure Improvements* – various engineering efforts to help manage traffic and roadways including new traffic signal installation, provision of left-turn arrows for traffic signals, intersection improvements such as the addition or realignment of left-turn bays, new pedestrian signals and crosswalks, traffic calming measures, and the upgrade of existing traffic signals, signage and pedestrian crosswalks.
- *Pilot Initiatives* – testing of new ways to prevent crashes such as anti-skid road surface treatments, high intensity signs, and larger traffic signals.

Attachment 1 provides a summary of the recent road safety improvement projects implemented in the City under the joint program. This summary also presents the specific results of the improvements, the general impact on City-wide traffic safety, and the current and future projects of the program. Since the City's active partnership with ICBC in its Road Safety Improvement Program began in 1997, the City's traffic accident rate has steadily decreased. The annual number of reported traffic accidents has fallen from an average of 3,000 – 4,000 incidents over the 1994 to 1996 period to 2,000 – 2,200 incidents over the 1997 to 2000 period. Note that as there is a reporting requirement only for traffic accidents with vehicle damage over \$1,000 or any personal injury or property damage, a number of minor traffic incidents may have occurred but not been recorded. Notwithstanding, the Road Safety Improvement Program has been a key factor in the substantial annual reduction in traffic accidents.

2.2 Targeted Traffic Enforcement Program

Under this program, Richmond RCMP provide extra hours of traffic enforcement between April and December with ICBC funding the annual cost of police-volunteered overtime and program administration. High-risk routes are targeted based on crash reports, ICBC claims data and municipal reports. Corridor enforcement in 1998 and 1999 was targeted on Blundell Road and moved to Cambie Road for 2000 and 2001 due to changing traffic accident patterns. RCMP staff report that traffic accidents on Blundell Road declined sharply during the time extra enforcement was provided. Current funding from ICBC for the Targeted Traffic Enforcement Program is \$80,000 per year.

2.3 Red Light Cameras

The Intersection Safety Camera Program is designed to monitor and enhance enforcement of red light violations. This method of enforcement is intended to prompt better driver behaviour and respect for the red light sequence, resulting in the reduction of serious motor vehicle accidents caused by drivers who run the red light. ICBC and the provincial Ministry of the Attorney General fund the costs associated with the installation and operation of the cameras.

The first red light camera in Richmond was installed at the intersection of Westminster Highway and No. 4 Road in August 1998. Four additional red light cameras have since been installed at the intersections of Steveston Highway and No. 4 Road; Francis Road and No. 3 Road; Cambie Road and No. 4 Road; and Alderbridge Way and No. 4 Road, with all locations selected on the basis of input from Richmond RCMP, City staff and historical crash data at the sites.

As shown in the table below, the reduction in the annual number of vehicle crashes at the Westminster Highway and No. 4 Road intersection indicates that the program has had a positive affect on driver behaviour. In the two years since the activation of the camera (1999 and 2000), the average annual number of vehicle crashes has declined by 57 percent while the average annual number of injuries has decreased by 46 percent.

Year	No. of Vehicle Crashes	No. of Injuries
1996	29	15
1997	31	13
1998 (camera activated in August)	13	8
1999	11	6
2000	15	9

2.4 Enhanced CounterAttack Program

CounterAttack began in 1977 as a base enforcement program during the holiday season. The goal of the program is to inform the public about the dangers of impaired driving and to support highly visible police enforcement. The Enhanced CounterAttack Program, wholly funded by ICBC, began in 1995, with roadchecks from July to December and advertising support to heighten public awareness. Since 1998, the program has been extended to provide roadchecks for nine months of the year. ICBC provided funding of \$9 million for the program in 1999.

Within Richmond, ICBC also supplies volunteers with the Richmond Citizens Crime Watch Patrol with laptop computers that can be used to check for stolen vehicles while the members are on patrol and at CounterAttack roadchecks. During the 11 months ending November 1999, a total of 150,889 vehicles passed through roadchecks conducted by Richmond RCMP with targeted areas determined by the incidence of alcohol-related collisions, high traffic volumes

and location on access routes to the City for high visibility. Among the citations issued during this period were 970 motor vehicle regulations infractions, 385 24-hour suspensions, 66 administrative vehicle impoundments, and 19 impaired driving charges. Present funding from ICBC for the City's Enhanced CounterAttack program is \$220,000 per year.

2.5 RoadSense Community Grants

In partnership with local Autoplan insurance brokers, ICBC provides grants towards public education initiatives that are related to traffic and pedestrian safety. In addition, RoadSense Team scholarships help 30 graduating BC high school students with their costs for post-secondary education and regional RoadSense Teams sponsor youth from their areas to produce their own, broadcast-quality road safety public service announcement.

The City has benefited from a number of the community grants, which have provided for the sharing of production costs for the following informational traffic safety pamphlets:

- *U-turns on No. 3 Road* (June 2001) – identifies the location and signage of the intersections allowing U-turns and describes the correct turning movement when making a U-turn.
- *Traffic Safety around Schools and Playgrounds* (1st Edition, July 1999 and 2nd Edition, September 2000) – each edition of this brochure, which provides traffic safety tips for parents and children, was produced in English and Chinese.
- *Important Safety Tips for Scooter Use* (July 2000) – provides information on the safe use of motorized scooters.

2.6 Speed Watch

This program is operated by volunteers who are trained by RCMP to use portable radar equipment and electronic digital boards (speed reader boards) provided by ICBC at various locations including residential, school and playground areas. The program helps address traffic problems through police awareness, public and community education, neighbourhood action, traffic calming, and the collection of speed-related data. Richmond has two Speed Watch teams that operate out of the RCMP Community Police Station at South Arm. A third team is being formed in the Hamilton area of east Richmond. The Speed Watch teams monitored 10,555 vehicles in 1999 and 8,356 vehicles in 2000.

2.7 Way to Go! Program

ICBC and local Autoplan brokers fund the Way to Go! Program, which provides local schools and communities with the resources to develop traffic safety awareness and increase the number of children who walk, bike, carpool or use transit to get to school. The program offers assistance in the form of a program manual, a resource kit and program support for parents, administrators and teachers. The City benefits from the program as it curbs traffic near schools, increases student fitness, and increases community involvement. ICBC also supports the City's annual Traffic Safety Awareness Week, the highlight of which is Walking Yellow Wednesday, an inter-school challenge for the highest participation rate of students walking, cycling or taking transit to school.

2.8 Other School and Youth Programs

The CounterAttack and Road Safety Society (CARS BC), funded by ICBC and local Autoplan brokers, provides educational programs aimed at secondary school students that inform young drivers about the hazards involved with speeding, reckless driving and impaired driving.

Cambie Secondary School is among the Richmond schools actively involved in road safety issues. ICBC also provides support for the annual back-to-school Yellow Ribbon Campaign and the Bike Helmet Initiative of the Richmond Health Services, supplies career and personal planning education kits for students in grades 8 through 12, and supports the child passenger car seat program operated jointly by the Richmond Health Services and Richmond Fire-Rescue.

2.9 Auto Crime Prevention

Combat Auto Theft (CAT) is a joint program of ICBC, local police and the BC Automobile Association to deter the incidence of stolen vehicles. ICBC funds Lock Out Auto Crime programs at the Steveston, South Arm and Airport community police stations and provides free Lock Out Auto Crime signage to any Richmond business. ICBC also awards auto crime prevention grants to community organizations that design and run programs aimed at reducing auto crime.

3. Impact on City of Loss of ICBC Programs

The loss of any of the numerous road safety programs funded either partially or wholly by ICBC would impact the City both financially, due to the loss of external funding to support current City programs and the impact of deferred traffic safety improvements, and socially, through the loss of public education initiatives that promote safety for all road users and the possibility of increased vehicle crashes due to reduced levels of traffic enforcement.

The funding ICBC provides under the Road Safety Improvement Program enables the City to implement more traffic and pedestrian safety projects sooner than it would acting alone. The loss of this funding would require the deferral of projects or their graduated implementation over a longer time frame. Similarly, the loss of funding for the Enhanced CounterAttack, Intersection Safety Camera and Targeted Traffic Enforcement Programs may require the restriction or elimination of these programs.

The potential impacts to the City of the loss of ICBC road safety education and awareness programs such as Speed Watch and Way to Go! are less directly quantifiable and perhaps less tangible but are still significant and affect the community's overall liveability. These programs help reduce traffic congestion in the community and modify driver behaviour and actions that may contribute to accidents. A higher number of traffic collisions carries profound social impacts including increased health and medical costs and lost productivity as well as higher auto insurance premiums.

FINANCIAL IMPACT

The table below summarizes the estimated annual funding that ICBC contributes to the City for road safety improvement and enforcement programs within Richmond. The direct financial impact to the City of the loss of these programs is estimated at \$1.1 million annually on the average.

ICBC Program	Annual Contribution within Richmond
Road Safety Improvement (average of 1997-2000 funding)	\$230,650
Targeted Traffic Enforcement (2001 funding level)	\$80,000
Intersection Safety Camera	\$583,000
CounterAttack (2001 funding level)	\$220,000

Note: Intersection Safety Camera contribution based on proportional amount of total annual program cost (i.e., total cost of \$14.0 million for 30 cameras and 120 locations, of which 5 sites are in Richmond).

In addition, ICBC provides support and resources to local schools and community groups for various education and awareness programs.

CONCLUSION

The provincial government is currently conducting review of its services and programs to determine which services should remain in the core of government and which should be classified as non-essential. Programs viewed as non-essential potentially could be eliminated or maintained but delivered more effectively through another agency. As a Crown corporation, ICBC is subject to this review and is reportedly considering the privatization and/or transfer of some of its operations as part of the review.

ICBC funds a number of road safety programs in partnership with the City and other local agencies including road improvement and enforcement programs (Road Safety Improvement Program, Targeted Traffic Enforcement Program, CounterAttack, Intersection Safety Camera Program) and education and awareness programs (e.g., Speed Watch, Way to Go!, RoadSense Community Grants, Lock Out Auto Crime). The agency also provides support and resources to community groups for projects such as the Bike Helmet Initiative and the child passenger car seat program.

The direct annual financial contribution of ICBC to the City for road safety improvement and enforcement programs is estimated at \$1.1 million plus the funding it provides indirectly to local schools and community groups in support of educational programs. Should the core review determine that ICBC's road safety programs are non-essential, then there is a possibility that the programs could be eliminated. The loss of this funding would impact the City both financially, through the loss of external funding to support road safety improvement and traffic enforcement programs, and socially, due to the loss of education and awareness programs that promote positive driver behaviour and help reduce accident rates. Staff therefore recommend that Council formally advise the provincial ministry responsible for ICBC, the Ministry of Finance, and ICBC of the benefits and success of its various road safety programs within Richmond and encourage the province to continue its support of these programs, which provide net benefits to society.



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JC:lce

City of Richmond / ICBC Road Safety Improvement Program

Table 1: Past Projects

Summary of Project Scopes and Results		
Traffic Safety Improvement	ICBC Funding	Results of Improvement
<u>Blundell Road Corridor:</u> <ul style="list-style-type: none"> • addition of left turn bays at No. 2 Rd • upgrade secondary 12 traffic signal heads along corridor 	<ul style="list-style-type: none"> • \$100,000 • \$13,000 	<ul style="list-style-type: none"> • <u>Before:</u> average # of annual accidents (1995-1999) = 41 • <u>After:</u> # of accidents in 2000 = 17 • 58 % reduction
<u>Aberdeen Area Traffic and Road Improvements:</u> <ul style="list-style-type: none"> • 3 new traffic signals • extension of Kwantlen Street 	<ul style="list-style-type: none"> • total of \$86,000 	<ul style="list-style-type: none"> • <u>Before:</u> average # of annual accidents (1994-1996) = 26 • <u>After:</u> average # of annual accidents (1997-1999) = 17 • 35 % reduction
<u>Garden City Road / Alderbridge Way Intersection:</u> <ul style="list-style-type: none"> • re-alignment of left turn bay on Garden City Road 	<ul style="list-style-type: none"> • \$10,000 	<ul style="list-style-type: none"> • <u>Before:</u> average # of annual accidents (1994-1996) = 29 • <u>After:</u> average # of annual accidents (1997-1999) = 18 • 38 % reduction
<u>New Traffic Signals and Road Improvements:</u> <ul style="list-style-type: none"> • No. 6 Road and Mayfield Place • No. 5 Road and Williams Road • Minoru Boulevard and Elmbridge Way • re-alignment of left turn bays at Westminster Highway and No. 1 Road • application of anti-skid surface in 7000 block of Alderbridge Way 	<ul style="list-style-type: none"> • \$35,000 • \$30,000 • \$30,000 • \$23,000 • \$20,520 	<ul style="list-style-type: none"> • Recent installations - comparative annual traffic accident statistics for these intersections not yet available. • Monitoring indicates that operational efficiency of the intersections has significantly improved and the previous recorded level of vehicle conflicts have been greatly reduced. • A decrease in annual traffic accidents at all sites is anticipated.
<u>New Pedestrian Signals:</u> <ul style="list-style-type: none"> • No. 2 Road at Blundell Shopping Centre • Ransford Road / Steveston Highway 	<ul style="list-style-type: none"> • \$100,000 • \$12,500 	<ul style="list-style-type: none"> • The new signals enhance safety for pedestrians when crossing arterial roads with high traffic volumes. • Positive feedback has been received from the community. • Compliance has greatly increased.
<u>Upgrade of Traffic Signals and Signage:</u> <ul style="list-style-type: none"> • 2-year program to upgrade secondary traffic signals • new school zone advance warning signs • flashing red light at Blundell Rd / Sidaway Rd 	<ul style="list-style-type: none"> • \$145,000 • \$20,000 • \$10,000 	<ul style="list-style-type: none"> • The larger secondary traffic signals and new brighter signage provide increased visibility to motorists. • Positive feedback has been received from the community. • Devices have contributed to city-wide reduction in annual accidents.

Table 2: Current Projects

Current Road Safety Improvement Projects		
Location	Improvement	ICBC Funding
Various Locations	Traffic signal improvements	\$25,000
Cooney Road / Lansdowne Road	Signal visibility upgrade	\$50,000
Westminster Highway / McCallan Road	Pedestrian crosswalk installation	\$20,000
No. 4 Road / Cambie Road	Northbound and southbound left-turn arrows	\$40,000
No. 6 Road / River Road	Road markings and delineation upgrade	\$10,000
Minoru Boulevard / Blundell Road	Pedestrian signal installation	\$30,000

Notes:

1. Projects are selected based on recommendations from previous joint City / ICBC Traffic Operations Reviews or traffic studies.

Table 3: Future Projects

Future Road Safety Improvement Projects		
Location	Improvement	Potential ICBC Funding
Cambie Road / Sexsmith Road	Full signal installation	\$30,000
Bridgeport Road / Sweden Way	Phase 1 (signal upgrade)	\$40,000
Bridgeport Road / Sweden Way	Phase 2 (construct turning lane)	\$25,000
Garden City Road / Odlin Road	Full signal installation	\$50,000
Westminster Highway	Pedestrian signal between No. 3 Road and Minoru Boulevard	\$75,000
Alderbridge Way between Hazelbridge Way and Garden City Road	Sidewalk construction	\$25,000
Minoru Boulevard between Elmbridge Way and Alderbridge Way	Sidewalk construction	\$25,000

Notes:

1. These projects are proposed for inclusion in future initiatives of the Road Safety Improvement Program.
2. Implementation of each project will be subject to land availability, further feasibility evaluation by staff and funding approval by Council on the City's Capital Program in the coming years.

Table 4: Overall Results

Overall City-Wide Traffic Safety Results Achieved (City of Richmond / ICBC Road Safety Improvement Program initiated in 1997)
<ul style="list-style-type: none"> • <u>Before</u>: average # of total city-wide annual traffic accidents (1994-1996) = 3,000 to 4,000 • <u>After</u>: average # of total city-wide annual traffic accidents (1997-2000) = 2,000 to 2,200 <p>(Reduction in annual traffic accidents of 40 % to 50 %)</p>