

Minutes

Toronto Transit Commission

Meeting No. 1949

Wednesday, May 30, 2012

A meeting of the Toronto Transit Commission was held in Committee Room 4, 2nd Floor, Toronto City Hall, 100 Queen Street West, Toronto, Ontario on Wednesday, May 30, 2012 commencing at 10:12 a.m. The meeting recessed at 10:13 a.m. and re-convened at 1:10 p.m. in Committee Room 1.

K. Stintz (Chair), G. De Baeremaeker (Vice-Chair), J. Colle, P. Milczyn and J. Parker (Commissioners), A. Byford (Chief Executive Officer), V. Rodo (Chief Financial and Administration Officer), D. Dixon (Chief Operating Officer), S. Ghaly (Chief Capital Officer), C. Upfold (Chief Customer Officer), M. Atlas (Senior Solicitor – Legal), B. Ross (Executive Director of Corporate Communications), A. Bertolo (Chief Project Manager – Spadina Subway Extension), M. Stambler (Head of Strategy and Service Planning), A. Pace (Director – Strategic Partnerships, Light Rail Transit Program), T. McPherson (Senior Manager – Wheel-Trans Bus Transportation), K. Lee (Head of Commission Services), D. McDonald (Co-ordinator – Corporate Secretariat Services) were present.

K. Stintz was in the Chair.

Declarations of Interest – Municipal Conflict of Interest Act

Nil

Committee of the Whole Resolution

Chair Stintz moved that the Commission recess to meet as the Committee of the Whole to deal with litigation or potential litigation matters, labour relations, employee negotiations, and to receive advice which is subject to solicitor-client privilege.

The motion by Chair Stintz carried.

Reconvened
Meeting (open to the public) – 1:10 P.M.
Committee Room 2, 2ND Floor, City Hall

Minutes of Previous Meetings

Commissioner Milczyn moved that the Commission approve the minutes from Meeting No. 1948 and that the Chair and Chief Financial and Administration Officer be authorized to sign the same.

The motion by Commissioner Milczyn carried.

Business Arising Out of the Minutes

Nil

Prior to commencing with Public Presentations, Chair Stintz invited customer Emily Green forward in response to her request to address the Commission prior to her move away from Toronto in the coming weeks. Following Ms. Green's appreciative and supportive comments about the TTC, Chair Stintz took the opportunity to announce an improved customer service initiative involving extended service hours being implemented at the Customer Service Centre and the Metropass Discount Plan office. Chair Stintz also read a number of customer communications describing specific examples of employees who have provided exceptional service to TTC customers. Chair Stintz, and the rest of the Commission, thanked the subject employees for their dedication, hard work and commitment to delivering excellent customer service.

Public Presentations

a) Augmentation Plan for the Blue Night Network

Alan Yule

The Commission received the deputation for information and referred the presentation to staff for appropriate action.

b) Chief Executive Officer's Report – Period 3 (February 26 to March 31, 2012)

Bob Brent

The Commission received the deputation for information.
(See Item No. 3(a) for minute).

c) Additional Operating Resource Requirements to Meet Increasing TTC Ridership

Brenda Thompson

Steve Munro

Alan Yule

Hamish Wilson
(Submitted brief)

Miroslav Glavic

Bob Brent

Jessica Bell

Councillor Layton
City of Toronto

The Commission received the deputations for information.
(See Item No. 3(d) for minute).

(d) LRT Projects in Toronto – Project Delivery

Alan Yule

Jessica Bell

Brenda Thompson

The Commission received the deputations for information.
(See Item No. 12 for minute).

Notice of Motions

Nil

Motions without Notice

Nil

Items of Which Notice has Previously Been Given

Nil

Items Deferred from Last Meeting to Permit Debate/Public Presentations

Nil

1. Reports with Confidential Attachments (Committee of the Whole)

a) Toronto-York Spadina Subway Extension – Contract A35-26 – Risk Management

The Commission:

1. received a confidential verbal update regarding risk management related to Contract A35-26;
2. noted that the information provided in the confidential verbal update is to remain confidential in its entirety as it contains information that is subject to solicitor-client privilege.

b) The TDL Group Corporation – Lease Extension Pape Station

The Commission:

1. approved the recommendations as set out in the Confidential Attachment; and
2. authorized the release of the confidential information and recommendation, as set out in the Confidential Attachment.

c) Updated Bank Signing Authorities

The Commission approved:

1. the recommendations set out in the Confidential Attachment; and
2. the contents of the Confidential Attachment not be publicly disclosed as they involve the security of the Commission's financial assets.

d) PricewaterhouseCoopers LLP Audit Results Report on the Toronto Transit Commission Consolidated Financial Statements for the Year Ended December 31, 2011

The Commission:

1. received the attached report and updated letter from PricewaterhouseCoopersLLP ("PWC"), including the information noted in the confidential attachment, regarding the audit of the consolidated financial statements of the Toronto Transit Commission for the year ended December 31, 2011, for information;

2. approved forwarding a copy of the attached report and update letter to the City Council through the Audit Committee of the City of Toronto; and
3. retaining the contents of the confidential attachment as confidential in their entirety as it contains advice which is subject to solicitor-client privilege.

e) Litigation Update – IPAC Paving

The Commission approved:

1. the recommendations as outlined in the Confidential Attachment; and
2. the information and recommendations as set out in the Confidential Attachment remain confidential until the conclusion of the current litigation.

2. Presentations

Nil

3. Budget Matters

a) Chief Executive Officer's Report – Period 3 (February 26 to March 31, 2012)

It is recommended that the Commission forward a copy of this report to (1) each City of Toronto Councillor and (2) the City Deputy Manager and Chief Financial Officer, for information.

Approved

b) Draft Consolidated Financial Statements of Toronto Transit Commission for the Year Ended December 31, 2011

It is recommended that the Commission:

- 1) approve the draft consolidated financial statements of the Toronto Transit Commission for the year ended December 31, 2011; and
- 2) forward a copy of the approved consolidated financial statements to City Council for information through the Audit Committee of the City of Toronto.

Approved

- c) TTC Pension Fund Society and TTC Sick Benefit Association Annual Report, Audited Financial Statements for the Fiscal Period Ended December 31, 2011 and Bylaw Amendments for Approval
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It is recommended that the Commission:

1. Approve the appended TTC Pension Fund Bylaw amendments; and
2. Receive the annual reports of the TTC Pension Fund Society and TTC Sick Benefit Association for information.

Approved

- d) Additional Operating Resource Requirements to Meet Increasing TTC Ridership

Chair Stintz moved adoption of the recommendations in the staff report, as follows:

"It is recommended that the Commission:

1. Request Council to approve an increase of \$2.1 million in the TTC's 2012 operating expenditures to allow service to be improved, starting in September/October, 2012, from a level designed to carry 503 million annual passengers to a level appropriate for the currently-projected 512 million passengers which the TTC will carry in 2012;
2. Note that this change in operating costs will not affect the City's 2012 subsidy to the TTC because higher-than-forecast TTC ridership is expected to generate \$9 million more in fare revenue than budgeted, and this increase in revenue will more than offset the required increase in operating expenses;
3. Advise Council that the TTC's current rate of ridership growth -- which is well above industry-wide trends -- is a continuation of the sustained increase in transit ridership in Toronto since 1996, which has resulted in TTC ridership increasing from 372 million riders in 1996 to a projected ridership of 512 million this year -- an increase of 38%".

The motion by Chair Stintz carried.

Chair Stintz further moved that TTC staff be directed to include in the transmittal to City Council that this is not a request for additional funding. This request is in response to the City's Financial Control By-law which restricts the TTC's ability to re-allocate funds outside of the approved budget and that there is more than sufficient additional passenger revenues to cover the cost of this service.

The motion by Chair Stintz carried.

Chair Stintz moved adoption of the report, as amended.

The motion by Chair Stintz carried.

4. Procurement Authorizations

Nil

5. Procurement Authorization Amendments

- a) Procurement Authorization Amendment – Program of Requirements and Conceptual Design - Low Floor Light Rail Vehicle Maintenance and Storage Facilities – Contract TC85-6

It is recommended that the Commission authorize the issuance of a Contract Amendment to AECOM Canada Ltd. (AECOM), in the amount of \$10,000,000 for detailed design and construction support for the Ashbridges Bay Maintenance and Storage Facility (MSF).

Approved

- b) Procurement Authorization Amendments: Wheel-Trans Sedan Meter-Based Taxi Services Contracts

Chair Stintz moved adoption of the recommendations in the staff report, as follows:

“It is recommended that the Commission authorize amendments to increase the current upset limits for the Wheel-Trans Sedan Meter-Based Taxi Services contracts as follows:

1. Authorize Contract Amendment No. 3 to Associated Toronto Taxi Cab Co-operative Limited, Contract No. C34PC09709, in the amount of \$11,000,000.00 increasing the total upset limit to \$28,800,000.00 from \$17,800,000.00; and
2. Authorize Contract Amendment No. 4 to Beck Taxi Limited, Contract No. C34PC09708, in the amount of \$9,000,000.00 increasing the total upset limit to \$29,200,000.00 from \$20,200,000.00”.

The motion by Chair Stintz carried.

Chair Stintz further moved that staff report back on the RFP process for all Wheel-Trans contracts, including recommendations on the process, timing and any contract extensions.

The motion by Chair Stintz carried.

Chair Stintz moved adoption of the report, as amended.

The motion by Chair Stintz carried.

6. Notice of Awards

Nil

7. Service Matters

a) 352 Lawrence West Overnight Bus Route: Extension to Royal York Road

It is recommended that the Commission:

1. Approve the trial extension of the 352 Lawrence West overnight bus route from Weston Road to Royal York Road, as described in this report, effective July 29, 2012; and
2. Forward this report to Councillors Ford, Lindsay Luby, and Nunziata, Member of Parliament Ted Opitz, Member of Provincial Parliament Donna Cansfield, the Village of Humber Heights Retirement Community, and the Toronto Police Service.

Approved

8. Other Business

a) Status of the Wheel-Trans Accessible Taxi Contracts

It is recommended that the Commission receive this report on the status of the Wheel-Trans Accessible Taxi contracts for information.

Received

9. New Business

Nil

10. Correspondence

C1 – Valdo Tammark, Chair - Advisory Committee on Accessible Transit (ACAT) forwarding for information the approved minutes of the October 27, 2011, November 24, 2011, December 15, 2011 and March 29, 2012 General Monthly meetings.

The Commission received the communication for information.

Supplementary Agenda

Reports with Confidential Attachments (Committee of the Whole)

11. TTC Submissions re: JSPP Legislative Framework

Chair Stintz moved adoption of the recommendation as set out in Confidential Attachment 1.

The motion by Chair Stintz carried.

Commissioner Milczyn noted his opposition to the foregoing.

Commissioner Milczyn moved that Recommendation No. 2 be amended by deleting the rest of the sentence after "Confidential Attachment 1" and inserting "be made publicly available when the action set out in the confidential recommendation has been carried out" so such recommendation now reads as follows:

"The confidential information as set out in Confidential Attachment 1 be made publicly available when the action set out in the confidential recommendation has been carried out".

The motion by Commissioner Milczyn carried.

Chair Stintz moved adoption of the report, as amended.

The motion by Chair Stintz carried.

12. LRT Projects in Toronto – Project Delivery

S. Ghaly, Chief Capital Officer, provided a PowerPoint presentation on this item.

The Commission received the presentation for information.

Commissioner Colle moved that the recommendations in the staff report be struck out and replaced with the following:

"It is recommended that the Commission:

1. Confirm its commitment to work with the Province of Ontario, Metrolinx, & Infrastructure Ontario to deliver Toronto's Light Rail Transit (LRT) program and;
2. Note that TTC has been program managing the delivery of the LRT program in Toronto since 2008 and now that responsibility will transfer to Metrolinx. The TTC intends to continue to assist in the development of the design, build, operate, and/or maintain functions and;
3. Note that the Province of Ontario has indicated that it intends to change project delivery from TTC program management to a model using Alternative Finance and Delivery (AFP) Design Build Finance and Maintain. To further note that while the TTC recognizes it as a viable model to deliver transit infrastructure, the TTC has some concerns about the use of such a model (as outlined in this paper);
4. Request Metrolinx/Infrastructure Ontario to respond to the issues and concerns around project finance, cost, schedule and delivery model raised in this paper and;
5. Inform Metrolinx that the Province of Ontario decision to implement LRT by AFP and Infrastructure Ontario will require the transfer of program management functions, project design, construction and community relations from the TTC Transit Expansion Program to Metrolinx to be completed by October 31, 2012;
6. Direct the Chief Executive Officer (CEO) to commence the reallocation of TTC staff, in consultation and cooperation with Metrolinx, and to the extent possible, from the LRT

program to TTC's on-going state of good repair construction and rehabilitation program and to the Spadina Subway Extension; and

7. Forward this report to the Toronto City Manager, Metrolinx, and the Minister of Transportation & Infrastructure.
8. That the TTC direct staff to expedite the signing of a Master Agreement with Metrolinx and Infrastructure Ontario that outlines provisions such as a governance model, dispute resolution mechanism, and amendment clauses, by the September 2012 Commission Meeting".

Commissioner Parker requested that Item No. 8 in Commissioner Colle's motion be voted on separately.

Chair Stintz called for a vote on Items 1 to 7 in Commissioner Colle's motion.

Items 1 to 7 in Commissioner Colle's motion carried.

Chair Stintz then called for a vote on Item No. 8 in Commissioner Colle's motion.

Item No. 8 in Commissioner Colle's motion carried.

Commissioner Parker noted his opposition to the foregoing.

Commissioner Milczyn moved that the Commission advise Metrolinx and the Province of Ontario that further discussions are required to review whether the TTC should be the operator of all the new LRT Lines.

The motion by Commissioner Milczyn carried.

Chair Stintz moved adoption of the report, as amended.

The motion by Chair Stintz carried.

13. TTC Pension Fund Society Bylaw Amendment

It is recommended that the Commission approve the attached Bylaw Amendment to the Bylaws of the Toronto Transit Commission Pension Fund Society.

Approved

The meeting adjourned at 4:10 p.m.