

# TORONTO TRANSIT COMMISSION REPORT NO.

**MEETING DATE:** January 21, 2013

**SUBJECT:** UPDATE – BUS SERVICING AND CLEANING

## **INFORMATION ITEM**

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### **RECOMMENDATION**

It is recommended that the Commission receive this report for information.

### **BACKGROUND**

At its meeting of September 27, 2012, the Commission approved the award of bus servicing and cleaning contracts, and at that time, also requested a report for the first meeting in 2013 comparing the cost and quality of service delivery of bus servicing and cleaning operations at in-house TTC bus garages and contracted out delivery models, and that this report be brought back annually.

### **DISCUSSION**

On September 28, 2012 Notification of Awards were sent to Topnotch Building Maintenance Ltd. for the amount of \$3,250,000 and to Hallcon Corporation for the amount of \$4,000,000 to provide bus servicing and cleaning work at Malvern Garage and Mt. Dennis Garage, respectively. The contract award allowed for a three month ramp up period with work to begin on January 13, 2013. Therefore, there has been no invoicing received from either of the contractors to enable cost comparisons. However, the previously projected average annual TTC savings once all bus servicing and cleaning has been contracted out has been revised from \$4.29 million to \$2.93 million to reflect revised HST calculations.

In October 2012, a Master Sign-up was conducted to reallocate the displaced employees to other existing vacancies to coincide with the January 13, 2013 contract start date. All employees will be placed in accordance with the collective agreement.

With respect to service quality, the TTC has a third party contractor conducting quarterly cleanliness audits of the bus fleet. As work is to begin on January 13, 2013, comparable results are not available.

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January 7, 2013