

TORONTO TRANSIT COMMISSION REPORT NO.

MEETING DATE: MAY 24, 2013

SUBJECT: CHIEF EXECUTIVE OFFICER'S REPORT –
MAY 2013 UPDATE

ACTION ITEM

RECOMMENDATION

It is recommended that the TTC Board 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.

DISCUSSION

The attached report provides a corporate-level focus on the organization's Key Performance Indicators (KPI).

These KPIs are presented in a performance "dashboard" format that allows the reader to view periodic performance in all of these areas at a glance. Targets for each KPI are provided although some are yet to be finalized. In addition, a "traffic light" indicates whether the organization is ahead of target (green), at risk (yellow) or below target (red) for the KPI in question and the trend arrows show whether performance is trending up or down.

In the balance of the report, detailed comments are provided highlighting and explaining issues concerning each of the KPIs.

May 14, 2013

42-81

Attachment: Chief Executive Officer's Report



TORONTO TRANSIT COMMISSION

CHIEF EXECUTIVE OFFICER'S REPORT

MAY 2013 UPDATE



TABLE OF CONTENTS

	<u>PAGE</u>
1. TTC MONTHLY SCORECARD	2
2. COMMENTARY AND CURRENT ISSUES	5
3. CUSTOMER MEASURES AND IMPROVEMENT PROGRAM PROGRESS	18
4. FINANCIAL COMMENTARY	24
5. CRITICAL PROJECTS	27

TORONTO TRANSIT COMMISSION – MONTHLY SCORECARD



Key Performance Indicator	Description	Frequency	Latest Measure	Current	Target	Current Status	Trend	Ref. #
CSS	Customer Satisfaction Survey	Quarter	Q4	72%	TBD			2.2
Customer Journeys	Customer Trips	Period	P3	50.2M	49.9M			2.3
Punctuality – Subway and Scarborough Rapid Transit (SRT)								
Yonge-University-Spadina	Headway + 3 minutes	Period	P3	94.6%	96.0%			2.4.1
Bloor-Danforth	Headway + 3 minutes	Period	P3	97.5%	97.0%			2.4.1
Sheppard	Headway + 3 minutes	Period	P3	99.4%	98.0%			2.4.1
SRT	Headway + 3 minutes	Period	P3	98.5%	96.0%			2.4.2
Punctuality – Bus, Streetcar, and Wheel-Trans								
Bus	Headway +/- 3 minutes	Period	P3	69.3%	65.0%			2.5.1
Streetcar	Headway +/- 3 minutes	Period	P3	72.9%	70.0%			2.5.2
Wheel-Trans	Within 10 minutes of schedule	Period	P3	87.6%	90.0%			2.5.3
Safety and Security								
Lost Time Injuries	Injuries / 100 Employees	Period	P3	3.06	TBD			2.6.1
Customer Injuries	Injury incidents / 1M Vehicle Boardings	Period	P2	1.74	NA			2.6.2
Behavioural Safety Index	Safety Focused Behaviour	Period	TBD					2.6.3
Offences against Customers	Assault, theft, other	Period	P4	36	NA			2.6.4
Offences against Staff	Assault, threat, other	Period	P4	37	NA			2.6.5
People								
Attendance	Employee Absence	Period	P3	6.4%	< 6.5%			2.7.1
Operator Hires	Actual vs. Budget	Period	P3	58	58			2.7.2

TORONTO TRANSIT COMMISSION – MONTHLY SCORECARD



Key Performance Indicator	Description	Frequency	Latest Measure	Current	Target	Current Status	Trend	Ref. #
Device Availability								
Elevators	% Elevators Available	Period	P3	97.6%	98.0%			2.8.1
Escalators	% Escalators Available	Period	P3	97.1%	97.0%			2.8.2
Fare Purchase Opportunity	% TVM's / PVM's Available	Period	P3	98.4%	96.0%			2.8.3
Mystery Shopping and Audits								
Station Cleanliness	Cleanliness Audit Score	Quarter	Q1	71.6%	70.0%			2.9.1
Vehicle Cleanliness	Cleanliness Audit Score	Quarter	Q1	68.2%	70.0%			2.9.2
Information MSS	Customer Announcements Score	Quarter	TBD					2.9.3
Staff Helpfulness MSS	Welcoming Staff Score	Quarter	TBD					2.9.4
Financials								
TTC Revenue	Actual vs. Budget	Period	P1-3	\$278.2M	\$280.7M			4.1
TTC Operating Expenditure	Actual vs. Budget	Period	P1-3	\$393.0M	\$395.5M			4.1
Wheel-Trans Revenue	Actual vs. Budget	Period	P1-3	\$1.4M	\$1.4M			4.2
W-T Operating Expenditure	Actual vs. Budget	Period	P1-3	\$26.3M	\$26.4M			4.2
Capital Expenditure	Actual vs. Budget	Period	P1-3	\$140M	\$428M			4.3

Key to Symbols



On target



Target at risk at current trend



Off target



Positive up from last



Positive down from last



Negative up from last



Negative down from last



No change from last

Note:

The black arrows in the top right corner of the accompanying charts in this report indicate the favourable direction of the Key Performance Indicator (KPI):

↑ Higher (or increasing) values for the KPI are favourable

↓ Lower (or decreasing) values for the KPI are favourable

Part 2 – Commentary and Current Issues

2.1 – Chief Executive Officer’s Commentary

I have previously commented on my commitment to a top-to-bottom modernization of the TTC. A key step in this transformation will take place next week when my executive team and I will launch the inaugural TTC Corporate Plan to TTC employees. This plan is the final piece in the jigsaw that we have put together over the last year and a half to make our company more business-like and customer-focused. This plan will deliver a suite of newly-developed corporate objectives that will collectively enable us to meet our vision. Critically, these employee briefings will describe the key role that all of our employees have in the delivery of "a transit system that makes Toronto proud." In an organization as large and diverse as ours, it is essential that all of our 12,500 employees receive this message. To meet this challenge, my executive team and I will deliver a series of town halls and “roadshows” over the summer months to all of our colleagues.

Customer journeys (ridership) continued above target in Period 3. The outlook is that ridership will soften somewhat in Period 4 but that at year-end it will be at or near the target of 528 million. Year-end passenger revenues may be below target due to decreases in the average fare that mostly stem from ongoing monthly pass sales growth.

Subway punctuality on the Bloor-Danforth and Sheppard lines continued ahead of target. Punctuality on the Yonge-University-Spadina line was below target but, as I have previously noted, I expect performance to improve in 2013 as we continue to work with Bombardier to address reliability issues with passenger doors on the Toronto Rocket trains and as our “basics” campaign continues to focus on elimination of root causes of delay. SRT punctuality continues ahead of target.

Bus and streetcar punctuality were both above target, achieving the best period performances in the past two years. Wheel-Trans punctuality continued to be below target.

Employee absence was below target for the first time in nine periods and the overall trend continues to be encouraging with period results consistently lower than the comparable prior-year period.

Elevator availability continued to improve but fell short of the new, stretched, target. The union representing elevator mechanics has been on a legal strike since May 1. The TTC has worked closely with its contractor, Schindler, to ensure elevators that go out of service are restored back to service as quickly as possible. Given the demand across the city, Schindler has had difficulty keeping up with service calls. The TTC has successfully contracted with another supplier and availability has now improved. While this strike is unrelated, of course, to the TTC workforce, we will continue to monitor the situation, recognizing the importance elevators play in accessibility for so many of our customers.

Escalator availability continued above target. TVM/PVM availability rebounded to be above target.

On the financial side, total year-to-date TTC revenues were below budget, primarily due to 0.7 million fewer customer journeys than planned. This was offset by operating under-expenditures so at the present time, no major variance from the year-end budget is being projected. Capital expenditures were below budget for a host of reasons (see Section 4.3).

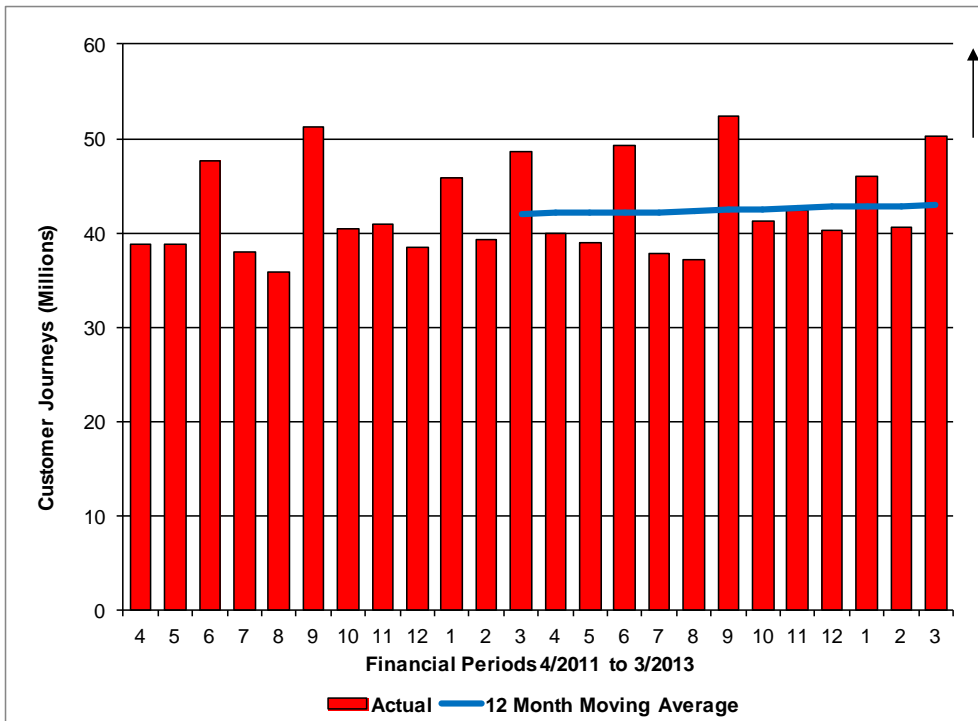
2.2 – Customer Satisfaction Survey

The results of the Q4 2012 Customer Satisfaction Survey show a 2% decline in overall customer satisfaction compared to the 74% achieved in Q3 2012.

As I have mentioned in previous reports, the decline is disappointing and somewhat counter-intuitive given improvements in punctuality, vehicle and station cleanliness, escalator availability, and various “quick wins” that have been delivered in recent months. I remain convinced that we are focused on the right things and that, over time, this will be reflected in improved CSS scores.

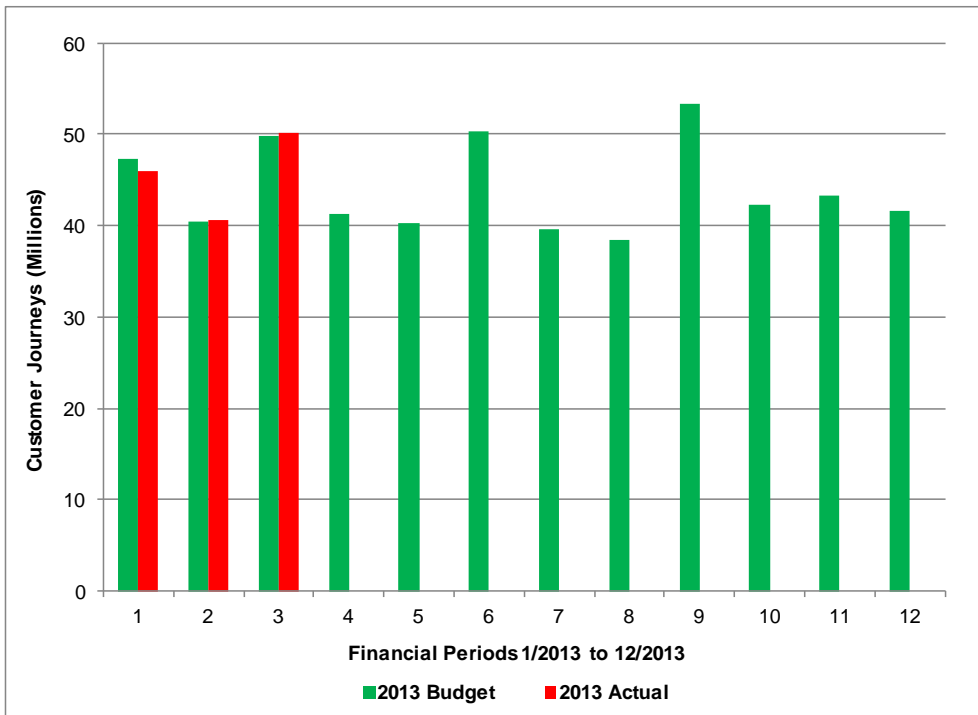
The detailed results of the Customer Satisfaction Survey do show more positive results for detailed aspects of TTC service. A presentation of the results of the Customer Satisfaction Survey was made at the Board meeting on April 24 and is posted on the TTC’s website.

2.3 – Customer Journeys



There were 50.2M customer journeys (ridership) taken during Period 3 2013, which was 1.6M (+3%) more than the 48.6M journeys taken during Period 3 2012.

The annual number of customer journeys to the end of Period 3 2013 was 516.4M, which was 12.3M (+2%) more than the 504.1M annual journeys taken to the end of Period 3 2012.



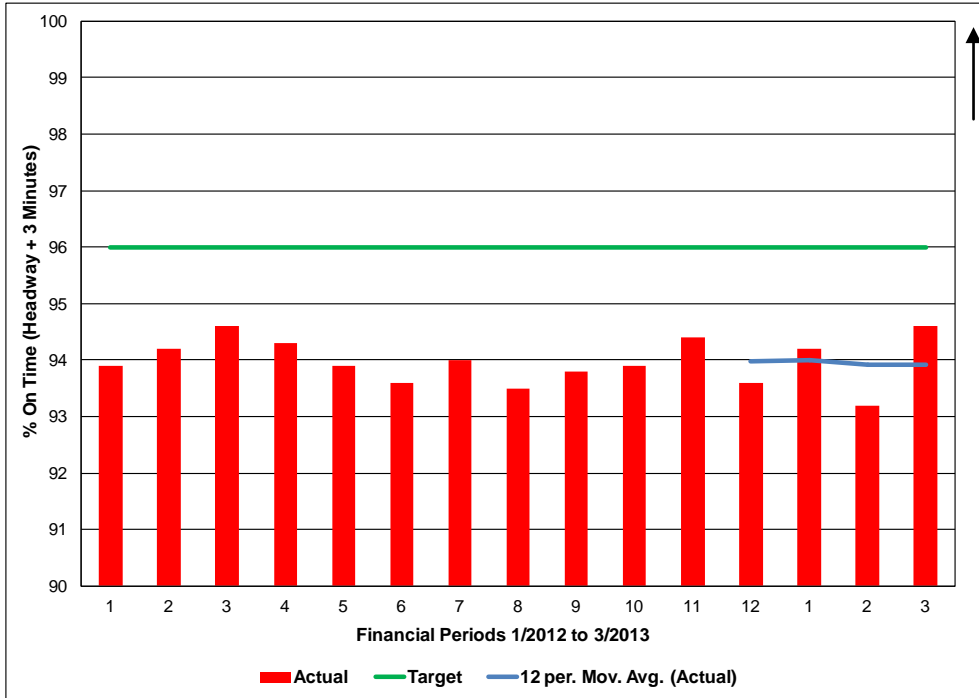
There were 50.2M customer journeys taken during Period 3 2013, which was 0.3M (+1%) more than the budget of 49.9M journeys.

The number of customer journeys taken year-to-date to the end of Period 3 2013 was 136.9M, which was 0.7M (-1%) less than the budget of 137.6M journeys.

2.4 – Punctuality – Subway and Scarborough Rapid Transit (SRT)

2.4.1 – Subway

Yonge-University-Spadina Line

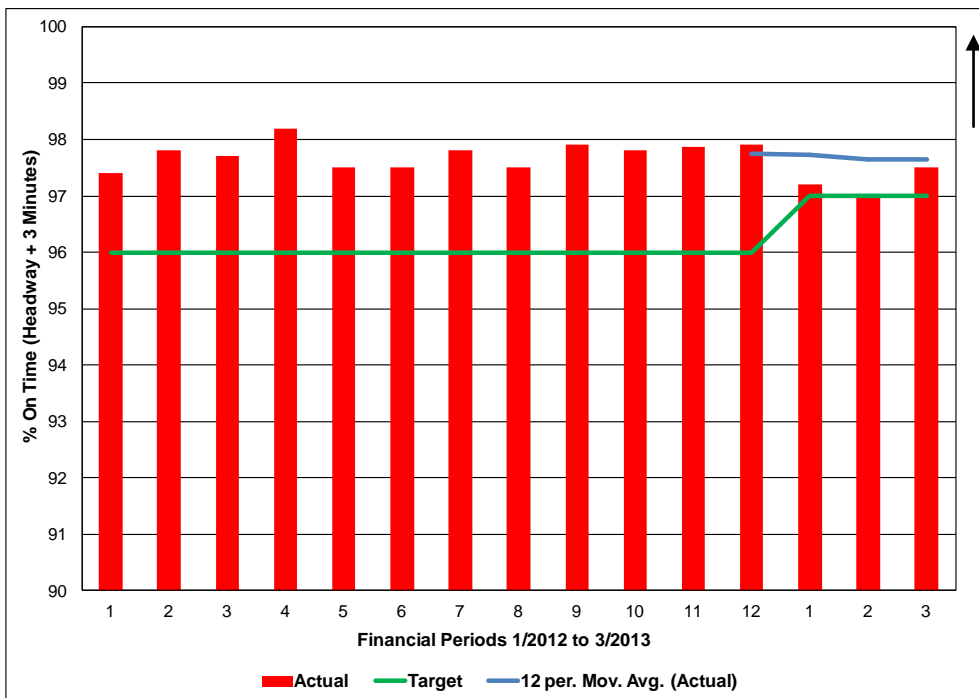


Period 3 showed significant improvement over Period 2, partially due to better weather conditions. Period 3 performance was negatively impacted, in part, by the employee-induced incidents in which doors were opened off-platform. This issue has been successfully addressed.

Peak performance remains strong but off-peak and weekend results are dragging down overall punctuality.

Note: Data has been recast resulting in slight variances from previously stated results in order to correct schedule deviations not properly accounted for in the statistical model.

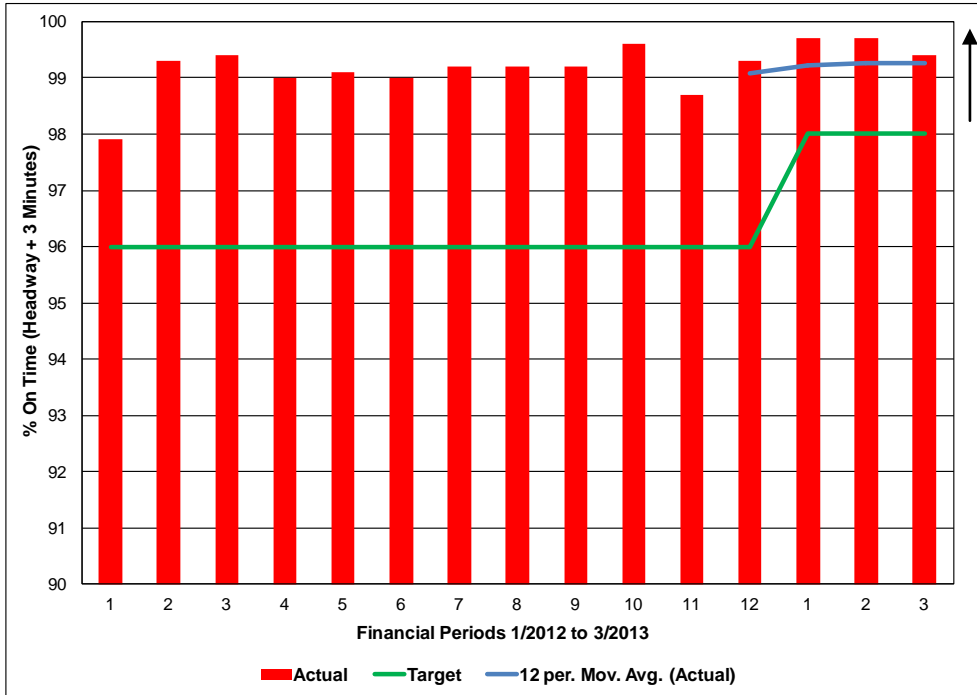
Bloor-Danforth Line



Overall, BD operated well during Period 3, up slightly from the previous two periods.

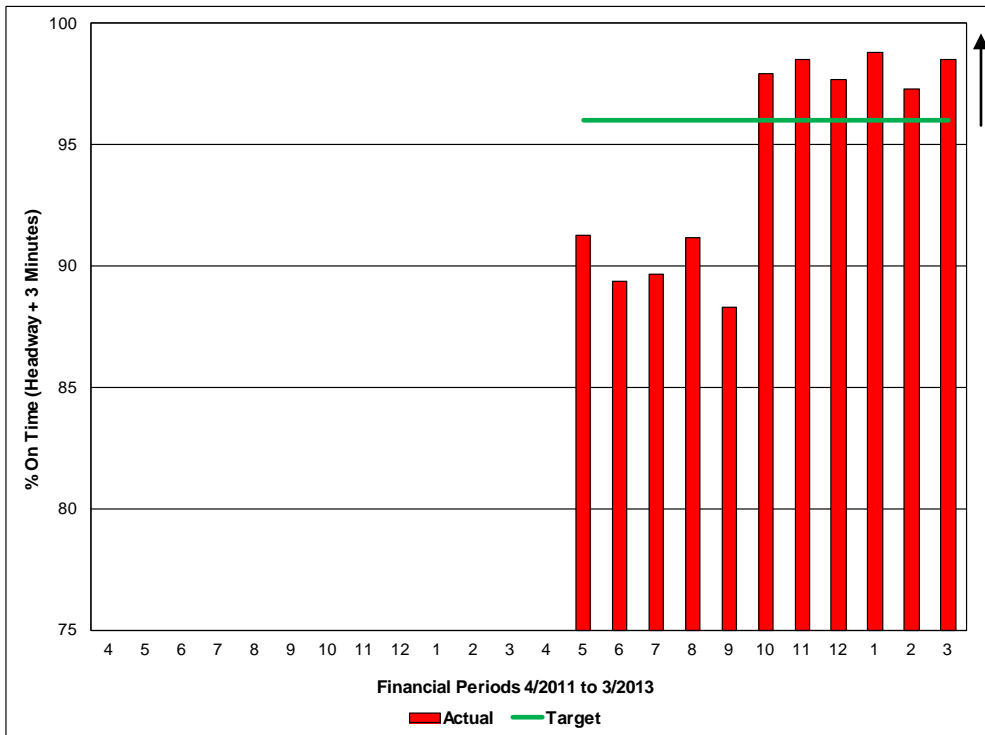
Note: Data has been recast resulting in slight variances from previously stated results in order to correct schedule deviations not properly accounted for in the statistical model.

Sheppard Line



Although slightly down in Period 3, the Sheppard line continues to perform well.

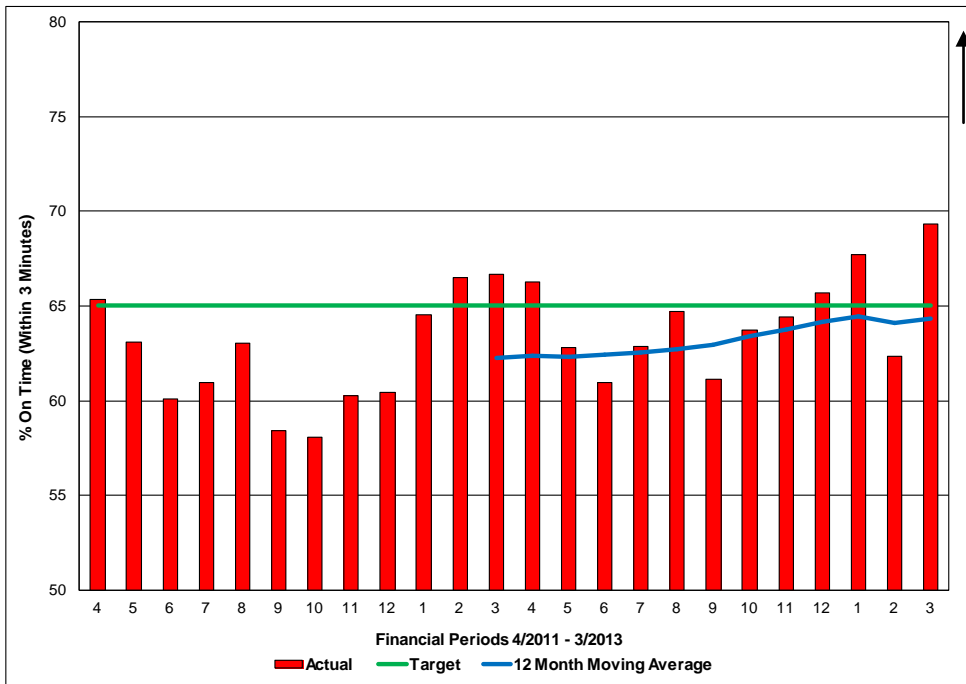
2.4.2 – SRT



The SRT continues to perform well albeit at a constrained performance profile due to its age.

2.5 – Punctuality – Bus, Streetcar, and Wheel-Trans

2.5.1 – Bus

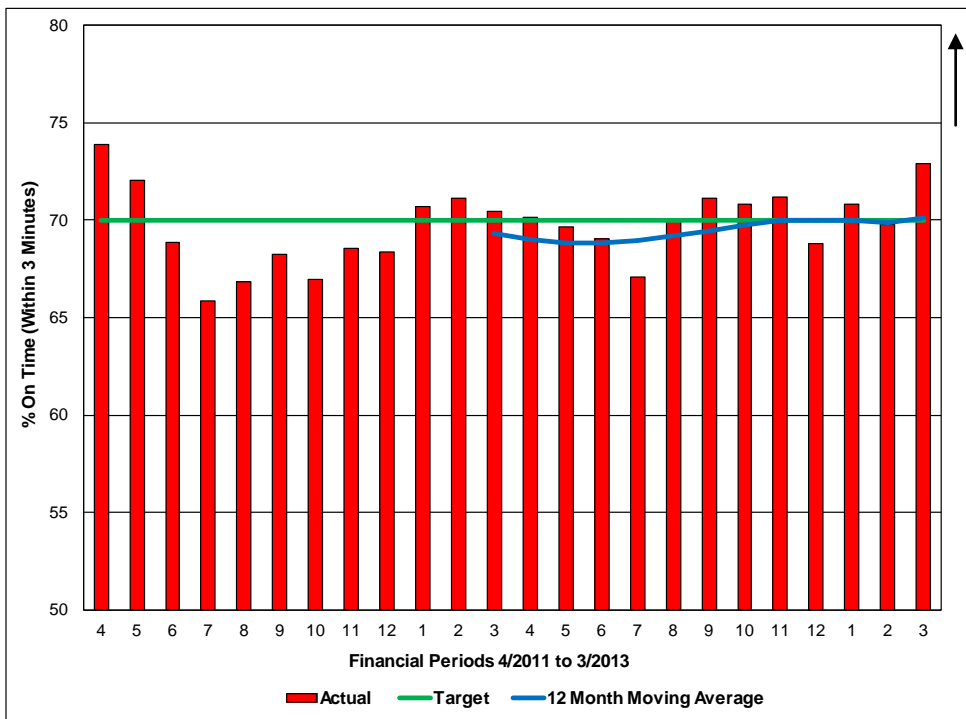


Period 3 improved to be above target, achieving the best performance over the past 24 periods.

Bus Transportation initiatives along with better weather and minimal construction projects all contributed to the increase in performance.

Bus Transportation will continue to review and adapt to the changing daily conditions with the focus of improving customer service.

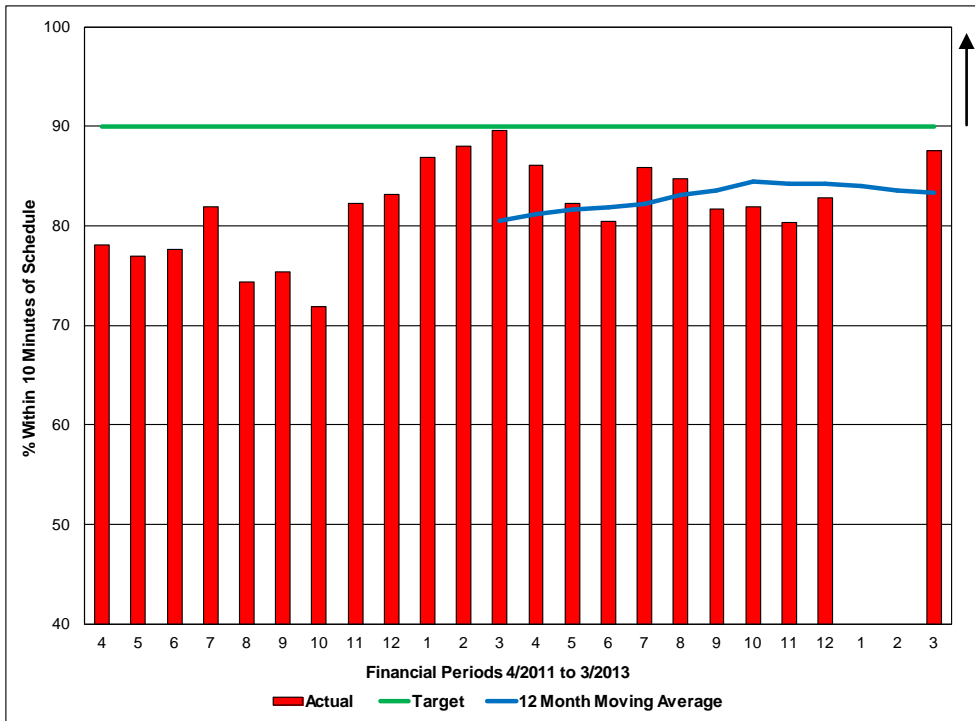
2.5.2 – Streetcar



Period 3 improved to be above target, achieving the best performance over the past 23 periods.

Weather and road conditions have had a positive effect on the equipment resulting in increased performance. In addition, KPIs broken down per route and per shift have been provided to Supervisors, illustrating individual and team efforts for streetcar performance.

2.5.3 – Wheel-Trans

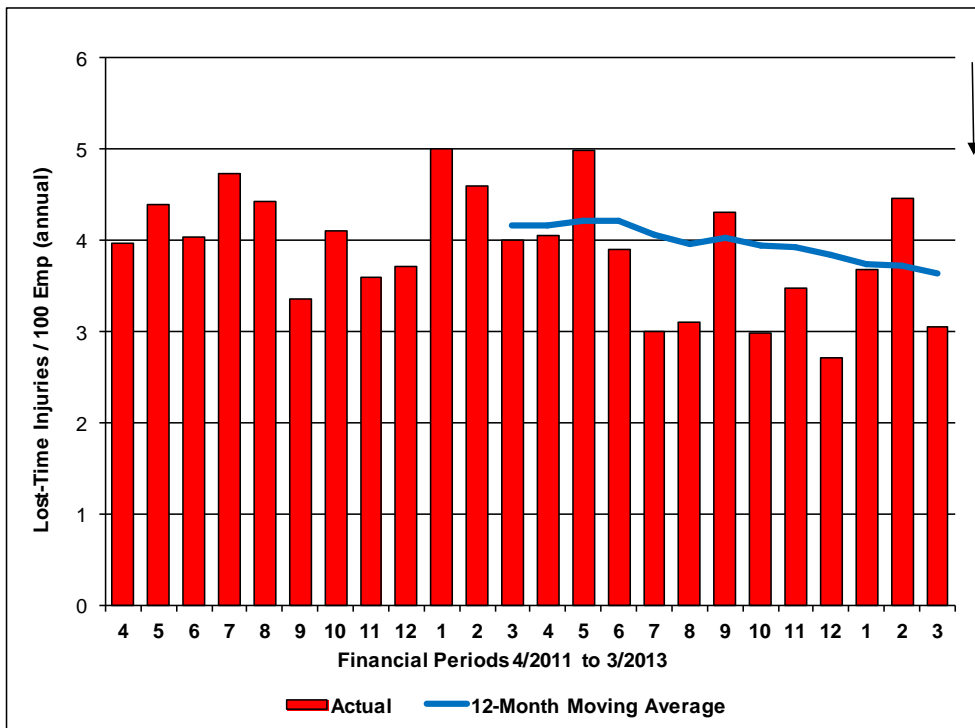


Performance remained below target in Period 3 but has improved steadily since Period 11 2012.

The method of data collection changed from manual to automated during the first two periods of 2013. During this transition period, the sample size was smaller than previous periods and, as a result, these data were not included.

2.6 – Safety and Security

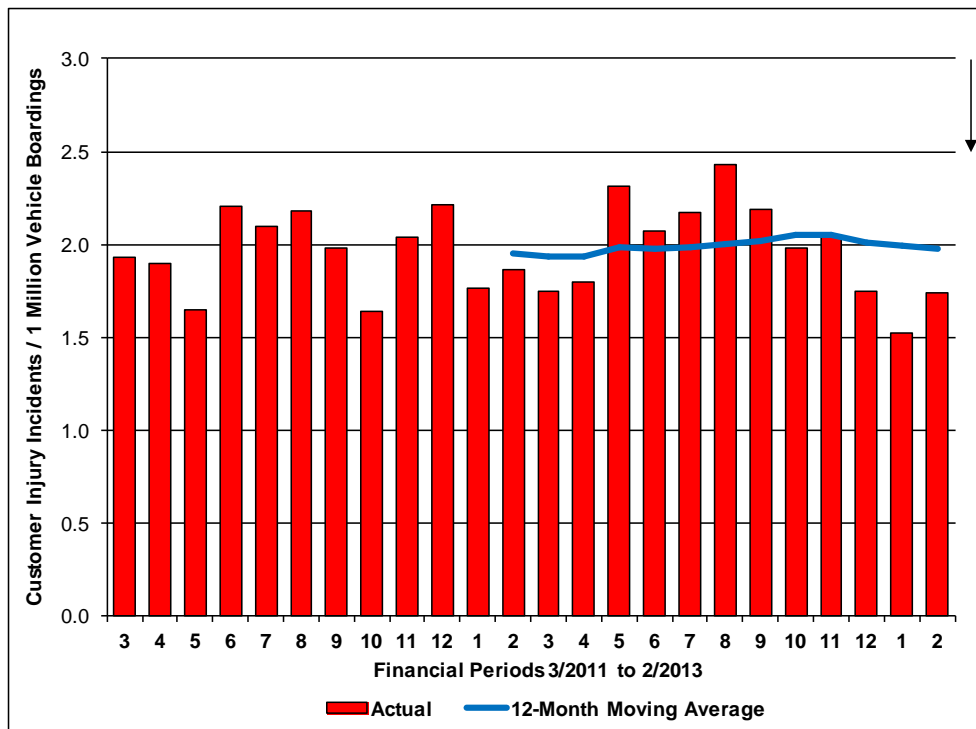
2.6.1 – Lost-Time Injuries (Annual Injuries / 100 Employees)



The annualized lost-time injury rate (LTIR) for Period 3 2013 was 3.06 lost-time injuries per 100 employees, which was 24% lower than the LTIR of 4.01 for Period 3 2012.

The moving annual LTIR to the end of Period 3 2013 was 3.65, which was 12% lower than the corresponding rate of 4.16 to the end of Period 3 2012.

2.6.2 – Customer Injury Incidents (Injury Incidents / 1m vehicle boardings)



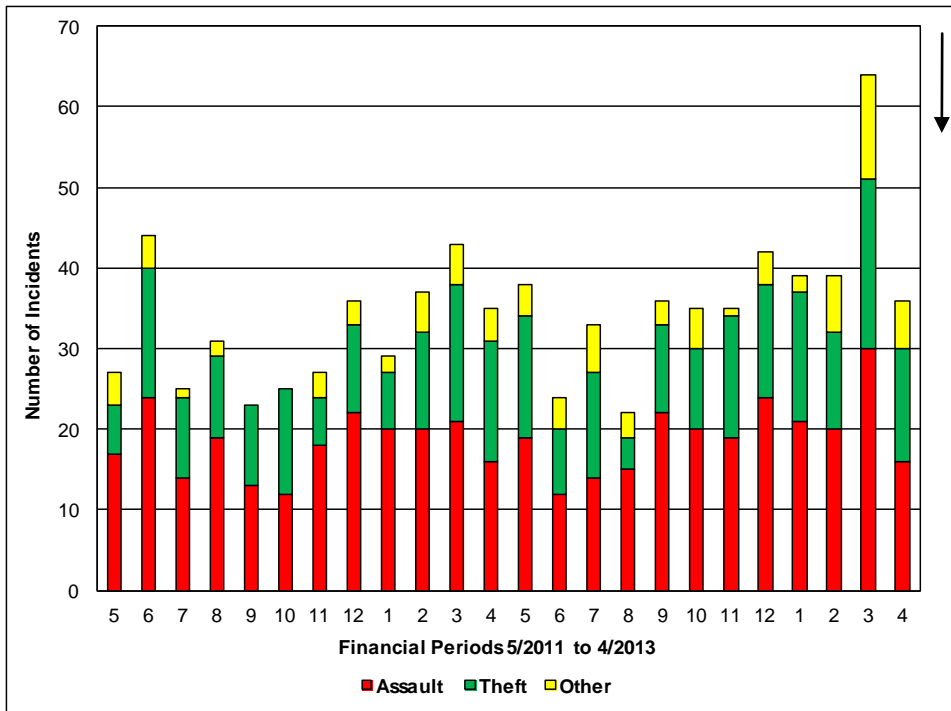
The customer injury incident rate for Period 2 2013 was 1.74 injury incidents per 1 million vehicle boardings, which was 6% lower than the corresponding rate of 1.86 for Period 2 2012.

The moving annual customer injury incident rate to the end of Period 2 2013 was 1.98, which was 2% higher than the corresponding rate of 1.95 to the end of Period 2 2012.

2.6.3 – Behavioural Safety Index

The data for this index are being gathered and calculated. This information will be presented in a future CEO Report.

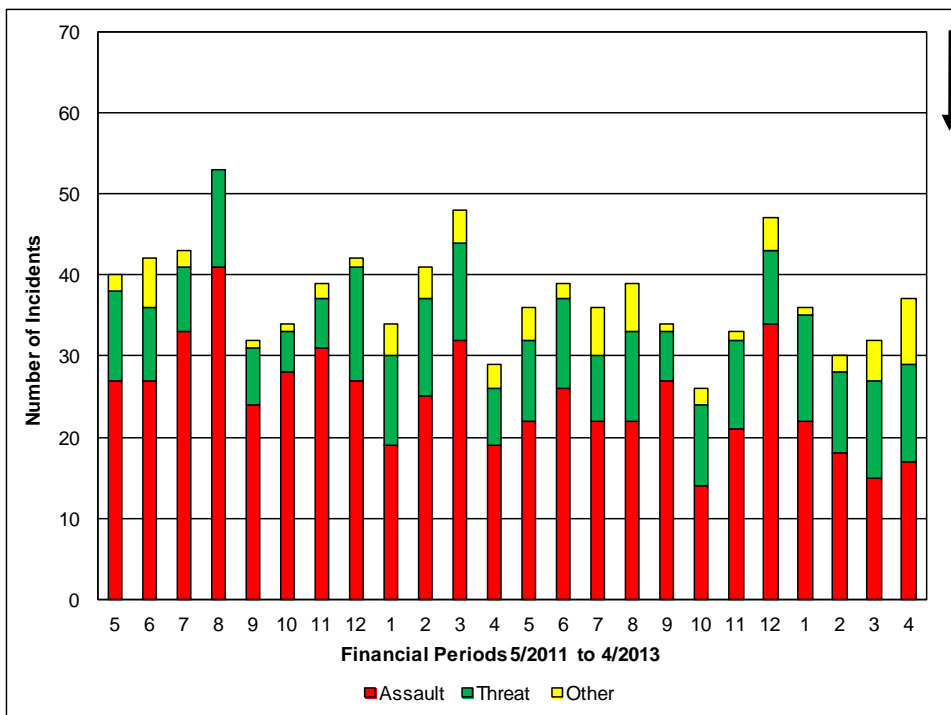
2.6.4 – Offences against Customers



Total offences against customers decreased in Period 4.

Year-to-date to Period 4, there were 34 more offences (178 vs. 144) compared with the corresponding period in 2012. This includes 10 more assaults (87 vs. 77), 12 more thefts and robberies (63 vs. 51), and 12 more 'other' offences (28 vs. 16).

2.6.5 – Offences against Staff

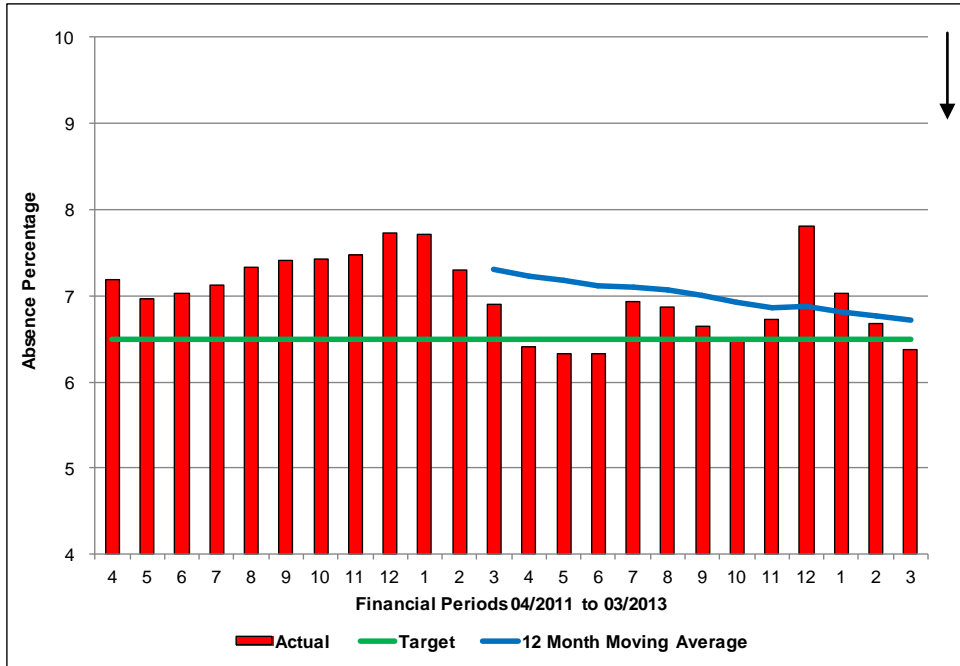


Total occurrences against staff increased in Period 4.

Year-to-date to Period 4, there were 17 fewer offences (135 vs. 152) compared with the corresponding period in 2012. This includes 23 fewer assaults (72 vs. 95), five more threats (47 vs. 42), and one more 'other' offence (16 vs. 15).

2.7 – People

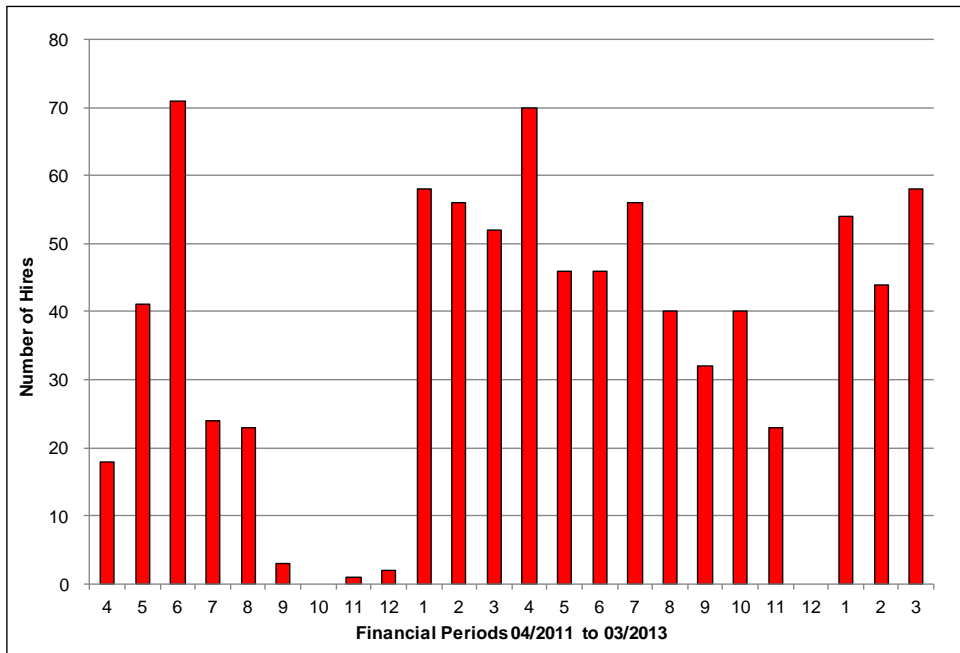
2.7.1 – Attendance



The absence rate for Period 3 2013 was 6.38%, falling below target for the first time in nine periods. This rate was 4% lower than the rate of 6.67% for Period 2 2013 and 8% lower than the rate of 6.90% for Period 3 2012.

The overall absence trend continues to be encouraging. For 15 of the past 16 periods, the period results have been lower than the prior-year comparable period. Over the same timeframe, the moving annual rate has decreased 10% from 7.49 to 6.72.

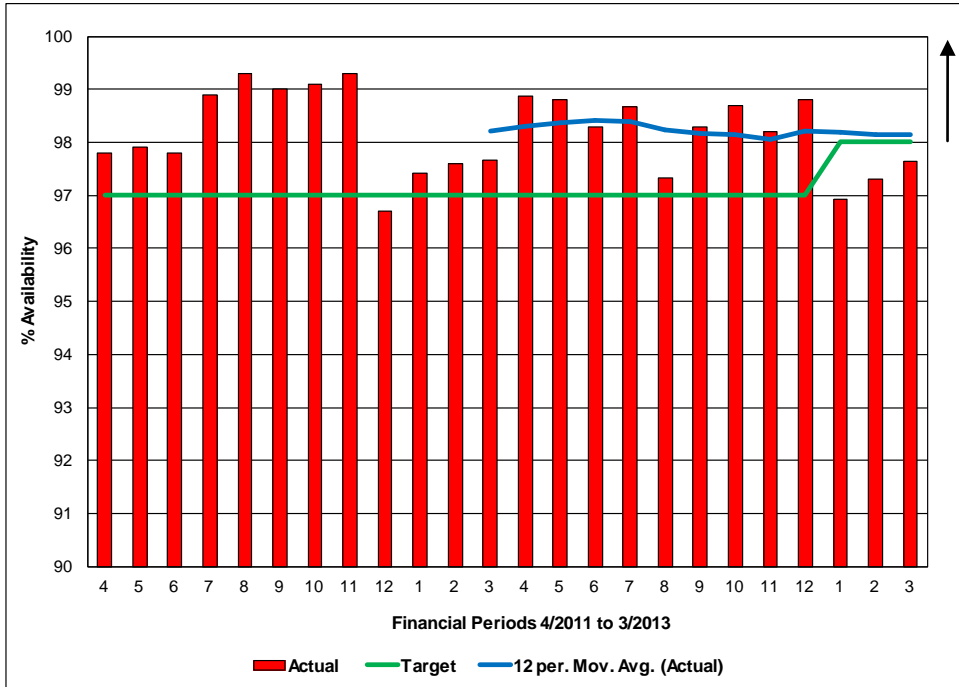
2.7.2 – Operator Hires



In Period 3 2013, 58 Operators were hired, which was exactly on target.

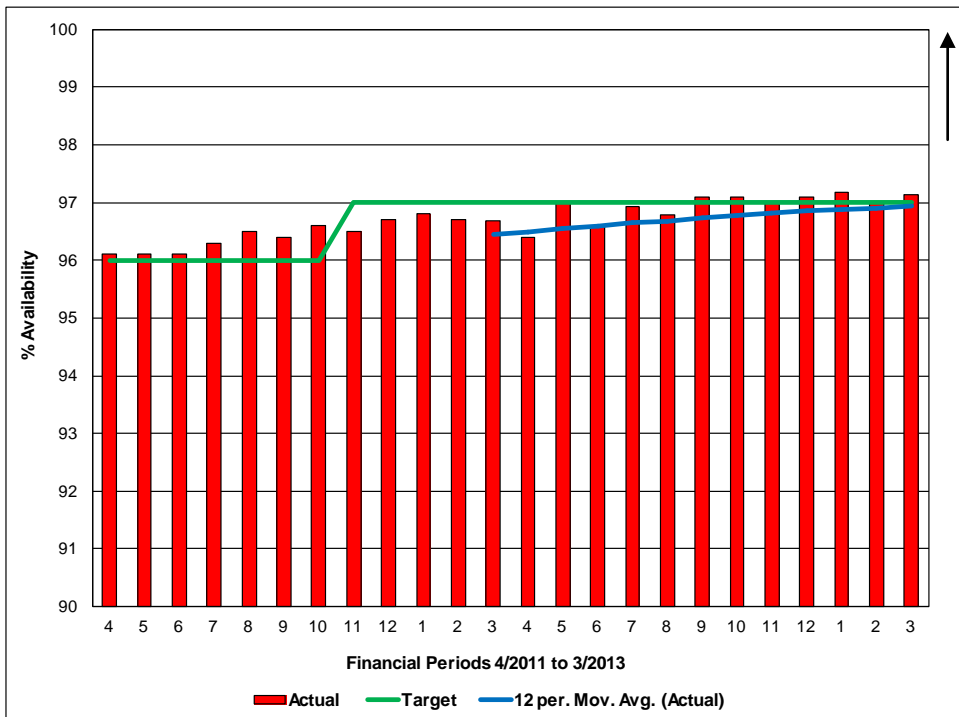
2.8 – Device Availability

2.8.1 – Elevator Availability



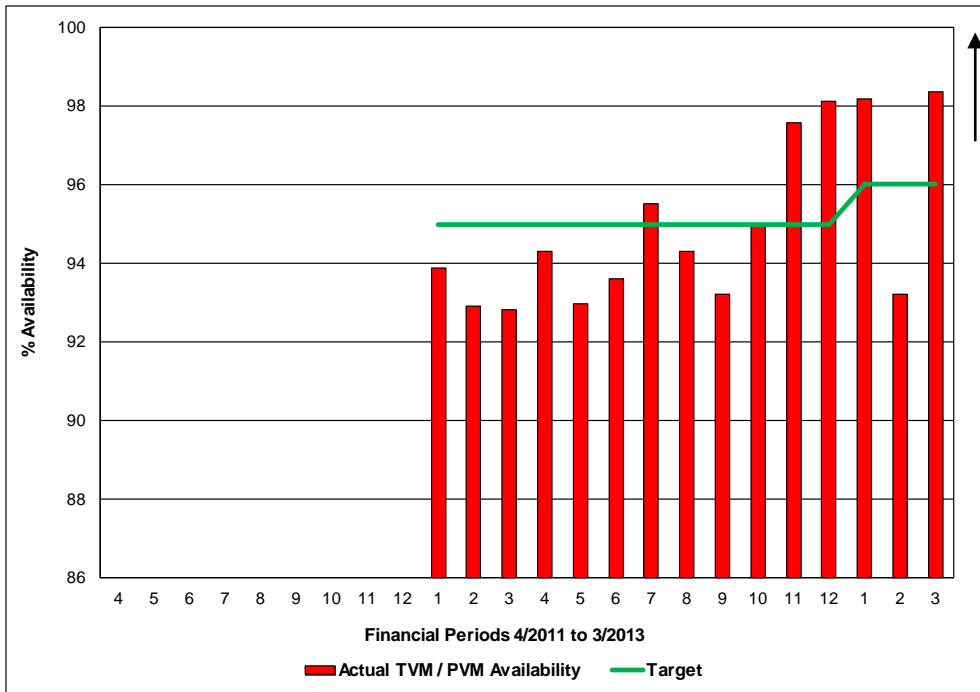
Availability for Period 3 increased slightly over Period 2 but remained below the new stretched target due to one elevator at St. George Station being out of service for an overhaul under the Capital Program. The elevator was returned to service March 31, 2013.

2.8.2 – Escalator Availability



Escalator availability remains on target for Period 3. Maintenance programs are being completed as planned and scheduled which is assisting in maintaining trouble calls to a minimum.

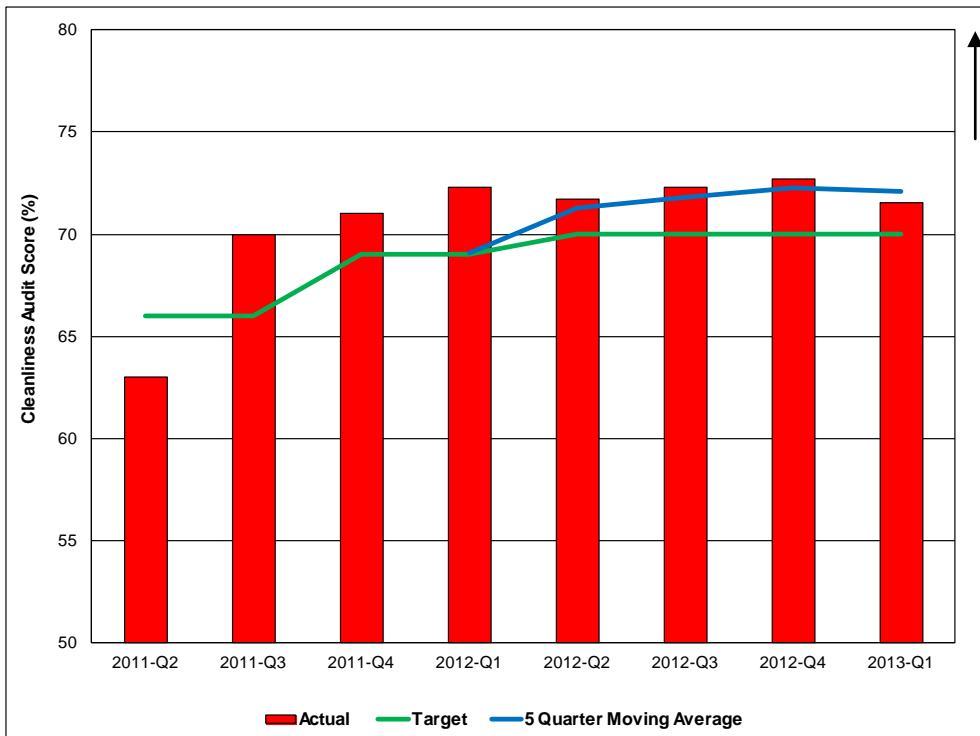
2.8.3 – Fare Purchase Opportunity



Period 3 saw improved response times to reported defects. In addition, the ongoing commitment to preventative maintenance and repair schedules is continuing to improve reliability.

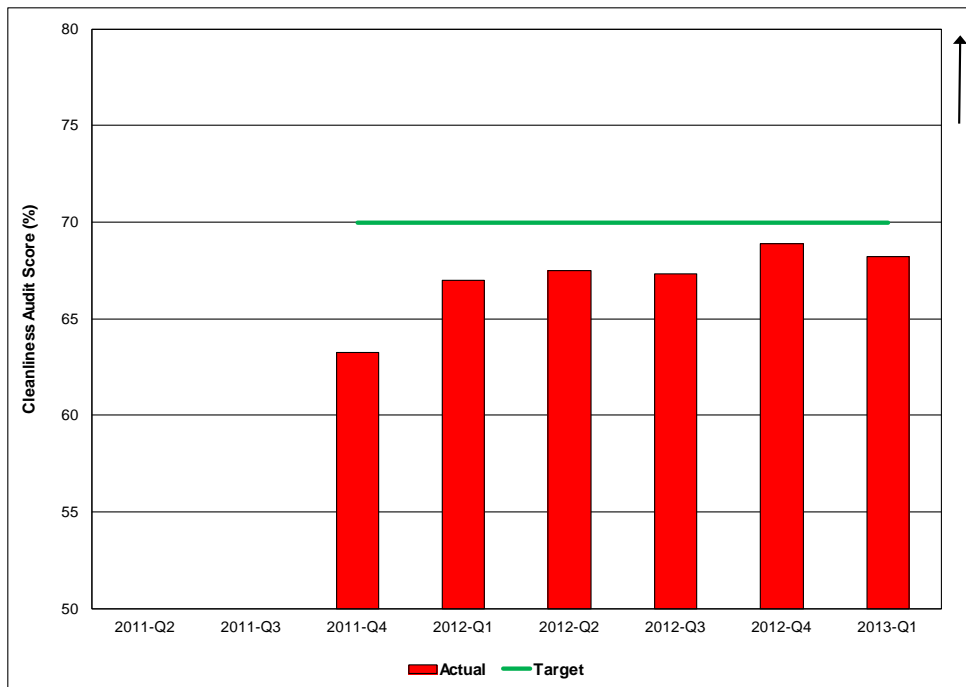
2.9 – Mystery Shopping and Audits

2.9.1 – Station Cleanliness



Station cleanliness was dramatically impacted by the increased accumulation of snow and its ancillary effects during the first quarter, which included two major storms. This was compounded by workforce shortages resulting from delays in filling vacant positions.

2.9.2 – Vehicle Cleanliness



While results for Q1 2013 dipped slightly from Q4 2012, they improved over Q1 2012 (i.e. winter to winter comparison). This can be attributed to more emphasis on increased cleaning of seats and floor washing and the ongoing localized auditing of quality.

2.9.3 – Information MSS

The data for this index are being gathered and calculated. This information will be presented in a future CEO Report.

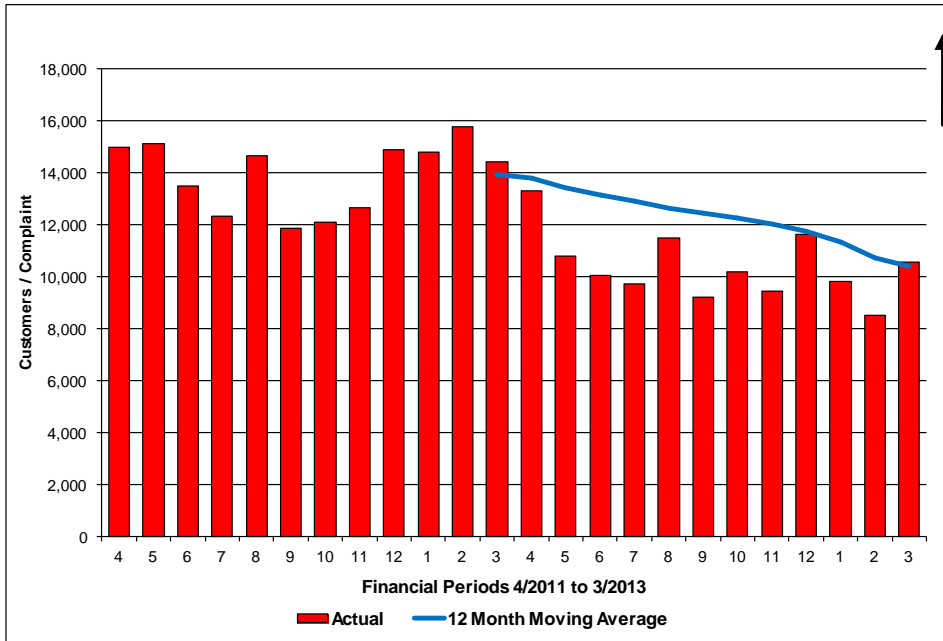
2.9.4 – Staff Helpfulness MSS

The data for this index are being gathered and calculated. This information will be presented in a future CEO Report.

Part 3 – Customer Measures and Improvement Program Progress

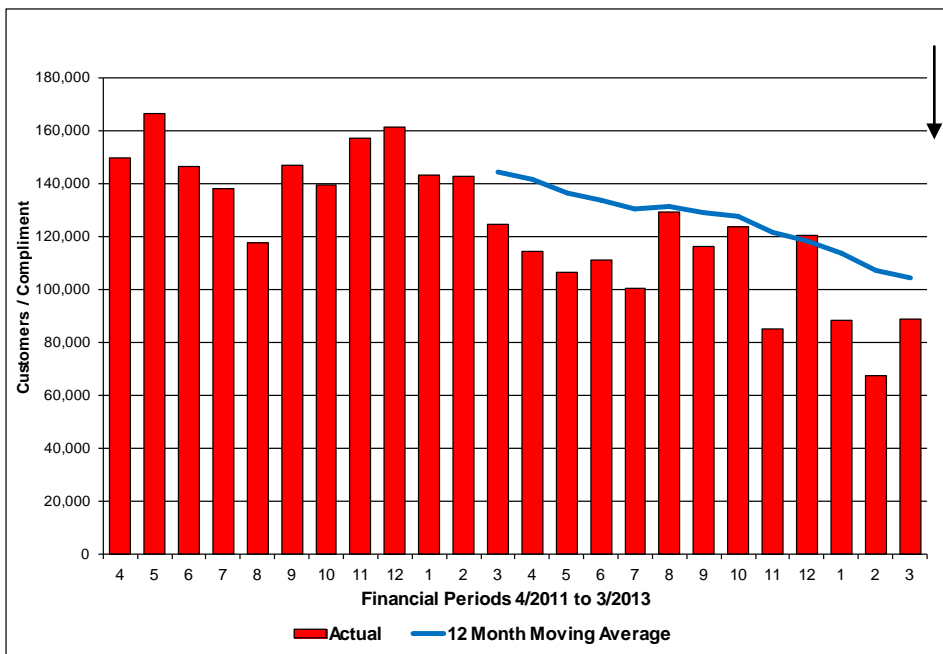
This section provides information on various customer-related issues, including trends for customer complaints and compliments, current and planned system closures, an update on action taken to address noise and vibration impacting three west-end communities, and a progress report on the TTC Customer Charter.

3.1 – Customers / Complaint



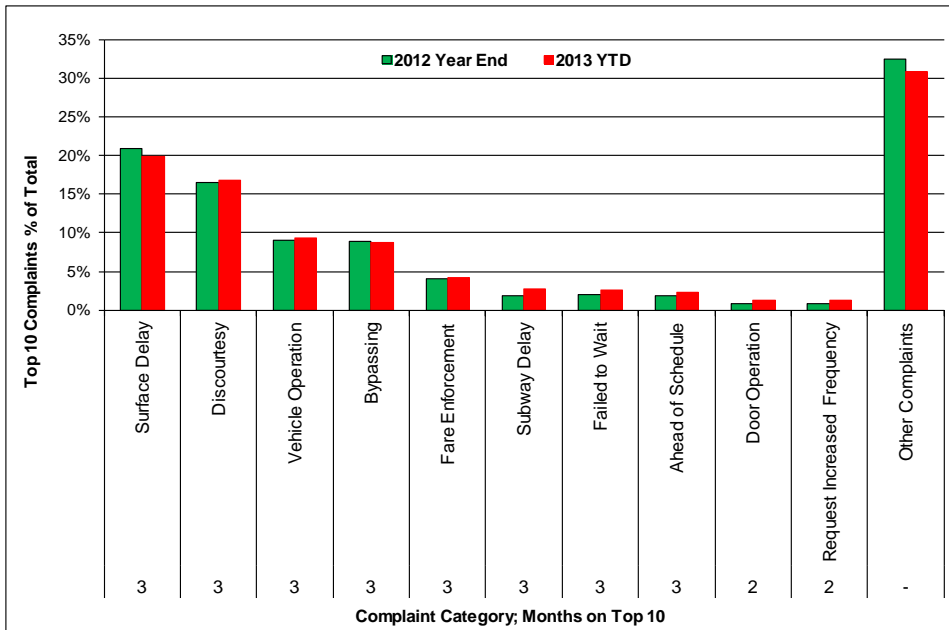
Customers per complaint improved in Period 3 to the best result since December 2012.

3.2 – Customers / Compliment



Customers per compliment increased from the previous period; however, there was a substantial improvement from the same period last year.

3.3 – Top Ten Complaints



The general proportion and types of complaints remained largely unchanged with the top four categories accounting for more than 50% of all complaints received.

3.4 – Commentary on Customer Satisfaction Improvement

Consultations continue with a group of employees regarding a new uniform for front line staff. The new uniforms will help deliver on the TTC’s vision of a transit system that makes Toronto proud. All supplier contracts come up in 2013 and 2014 making now the right time for a redesign.

The first of four rider Town Halls was conducted on March 20 at Metro Hall and was well attended by members of the public. The TTC has partnered with “TTCRiders” to deliver these Town Halls over the course of 2013, an initiative that will deliver benefits to both TTCRiders and the TTC.

Through the reallocation of existing resources, six new Group Station Managers have been appointed. The Group Station Managers will be responsible for creating and overseeing a new standard to manage subway stations to enhance overall customer experience. The change to zones and management will progressively be rolled out with big changes taking place during September.

Meet the Managers sessions were conducted at the following stations so far this year: Bloor-Yonge; Bathurst; Downsview; Davisville; Finch; Kipling; Pape; and Keele. Feedback was received from customers on a variety of issues, both positive and negative. These sessions will continue at other stations throughout the remainder of 2013, with the schedule posted on the TTC website.

Reporting has begun on commitments made by the TTC in its Customer Charter. Results for Q1 are posted on the TTC’s website.

3.5 – Current Major Closures / Diversions

Y-U-S Service North of Eglinton – Revenue subway service on the Yonge Subway north of Eglinton Station will end early at night, at approximately 12:30 a.m., Sunday through Friday service, for necessary tunnel structural repair work. Regular subway service will be maintained from Downsview Station to Eglinton Station.

A frequent accessible shuttle bus service will replace the subway between Eglinton Station and Finch Station. The replacement buses will serve the bus terminals at Eglinton Station, Lawrence Station, York Mills Station, Sheppard-Yonge Station, and Finch Station. This temporary service will operate until late 2013.

Mode	Area Affected	Dates	Reason	Purpose	Available Service
Streetcar	Spadina (King to north of Lake Shore)	Jun 17/12 – Jun 22/13	Platform Upgrades & Track Replacement	Improvement & State of Good Repair	Buses from King St. to Queens Quay.
Streetcar	Queens Quay (Union Stn to Spadina)	Jul 29/12 – Dec 10*/13	Waterfront Toronto Queens Quay reconstruction	Improvement (Waterfront Toronto) State of Good Repair	Buses on entire length of the 509 Harbourfront route.
*Note: full streetcar service will not be restored until January 2014					
Streetcar	Spadina and Queens Quay including Loop	May/13 – Dec 10/13	Platform Upgrades & Track Replacement	Improvement & State of Good Repair	Buses from King St. to Queens Quay.

3.6 – Pending Planned Closures

Mode	Area Affected	Dates	Reason	Purpose	Available Service
Streetcar	Kingston Rd. (Queen to Victoria Park)	Jun 23/13 – Jan 4/14	Track Rehabilitation	Improvement & State of Good Repair	502/503 streetcars end at Queen & Kingston Rd. 22A Coxwell bus on Kingston Rd. to Victoria Park.
Streetcar	York St. (Wellington to Queen)	Jun 23/13 – Oct 11/13	Track Rehabilitation at York St.	Improvement & State of Good Repair	503 Kingston Rd. streetcar to divert westbound along King to Spadina and eastbound to King via Adelaide and Charlotte.
Streetcar	Queen St. (Victoria to McCaul)	Jun 29/13 – Jul 10/13	Track Rehabilitation at York St.	Improvement & State of Good Repair	501 Queen streetcar between Victoria and McCaul to divert along Dundas .
Streetcar	Spadina Ave. and King St.	Aug 5/13 – Aug 29/13	Platform Upgrades & Track Replacement	Improvement & State of Good Repair	Buses to divert via Richmond, Peter, and Adelaide.
Streetcar	Dundas St. (Sterling Bridge)	Sept 9/13 – Oct 11/13	Track Rehabilitation	Improvement & State of Good Repair	505/506/306 streetcars to end at Lansdowne. Buses from Dundas West Stn., Lansdowne Stn., and High Park Loop.
Streetcar	Ossington Ave. (College to Dundas)	Sep 9/13 – Nov 22/13	Track Rehabilitation	Improvement & State of Good Repair	63 Ossington bus to divert along Bathurst via College and Dundas.

3.7 – Noise & Vibration Update – Three West-End Communities (B-D Subway Line)

Update for April 2013

This is the seventh monthly update following the October 18, 2012, meeting with members of the three west-end communities and their municipal representatives.

Part 1 below provides an update on the actions/work recommended and agreed to following tests conducted by Aercoustics Engineering Limited. Monthly updates will continue to be provided until all planned work is completed. Timelines may be adjusted as more detailed planning and scheduling of work is developed. Part 2 relates to some items from the Q&A's of the meeting. Part 3 is a graphical representation of the Bloor-Danforth Subway Axle Machining status to the end of March 2013 (Weeks 1 to 17).

Part 1

Old Mill (Kings Lynn/Prince Edward)

Planned Action	Timeline	Completed
Localized rail replacement in the westbound directions at subway chainage 171+76, located between Prince Edward Dr and Kings Lynn Rd.	To be completed by 30-Nov-12	✓
Aercoustics to conduct additional testing of the effect of delaminated concrete invert on noise & vibration at westbound subway chainage 174+50, located between Kings Lynn Rd and Kingscourt Dr.	Testing planned for Oct 28/29 Report due 3-Dec-12 (provide to Councillor Milczyn)	✓ ✓

Keele (Mountview to Pacific)

Planned Action	Timeline	Completed
Perform localized hand grinding at westbound insulated joint at subway chainage 291+04, in the vicinity of Oakmount Rd.	To be completed 17-Nov-12	✓
Rail grinding to be performed as part of the State of Good Repair program in the eastbound direction from subway chainage 278+31 to 297+24 between High Park Station and Keele Station.	10-Apr-2013 (Westbound) 6-May-2013 (Eastbound)	✓ ✓

Jane (Old Mill Dr/Traymore Cres)

Planned Action	Timeline	Completed
Perform localized hand grinding at eastbound insulated joints at subway chainage 217+63 located east of Traymore Cres and at subway chainage 220+20 located west of Old Mill Dr.	17-Nov-12	✓
The high rail will be replaced in both directions along the Riverside curve. Point of replacement; between Riverside Dr at subway chainage 209+98 and east of Old Mill Dr at subway chainage 224+19.	7-April-2013	✓
Profile Grinding will be performed after the high rail replacement in both directions along Riverside curve at approximate subway chainage 209+98 - 224+19.	8-April-2013 (Eastbound) 9-April-2013 (Westbound)	✓ ✓

Part 2

Q&A / Action Items (per October 18th public meeting)

Planned Action	Timeline	Completed
A resident enquired about a report for the Montgomery area (west of Royal York Station). Provide report to Councillor Milczyn.	7- Dec-12	✓
In response to a resident's concern, inspect the insulated joints at east end of Royal York Station in both directions at subway chainage 161+40 in the vicinity of Grenview and Jackman.	11-Nov-12	✓
Second visual inspection to further understand nature of N&V source at the east end of Royal York Station.	Jan - 2013.	✓
WB Insulated joint entering Royal York Station: Corrective actions identified and scheduled for repair.	End of Jan – 2013	✓
EB Insulated joint leaving Royal York Station: Corrective actions identified and scheduled for repair.	8-April-2013	✓
A vibration concern was raised by a resident from Kennedy Avenue (Runnymede to Jane Station). None of the three studies included this area. Kennedy Avenue corresponds to Runnymede Station (254+80 to 255+80). A visual inspection will be conducted.	11-Nov-12	✓
Track Maintenance has identified 2 insulated joints at the east end of Runnymede Station (EB &WB). The joints will be re-surfaced.	End of Jan - 2013.	✓

Grinding: Why and When

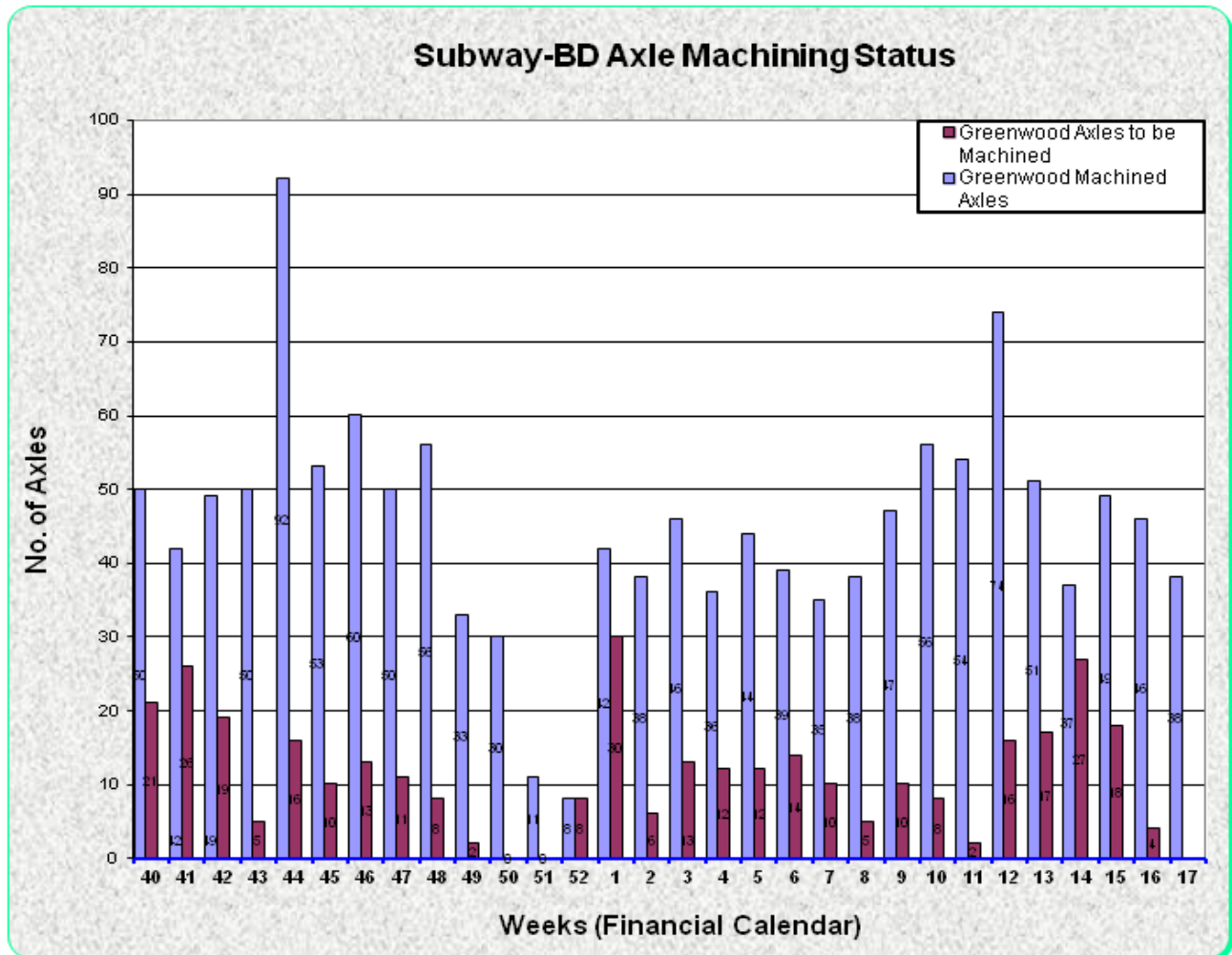
The primary purpose of rail grinding is to remove rail surface defects in order to ensure they do not propagate uncontrollably, potentially leading to a failure of the rail section, and a possible derailment. The need for grinding is established quantitatively, by measuring, very accurately, the condition of the rail, then evaluating results against strict maintenance standards. Defect grinding removes metal from the rail, in essence, shortening the service life of the asset. Grinding prematurely / unnecessarily (not required by maintenance standards) in effect increases costs to the TTC. Given the size of the TTC's rail asset these costs, over time, can be quite substantial.

The subway network is inspected regularly to determine the scope of our yearly rail grinding program. Based on our findings and considering our rail replacement program, sections are scheduled for grinding. The only section within the boundaries of the communities covered in this document that has met the criteria described above and is included in the 2013 grinding program is situated between Keele Station and High Park Station in the eastbound direction. We will continue to monitor the condition of the rail and any resulting noise & vibration concerns on an annual basis necessary to correct issues in a timely fashion.

Part 3

Wheel profiling continues to achieve improvement in the number of trains that have been identified for attention.

The chart below is a weekly representation of capacity versus demand and the control of wheel condition backlog.



Part 4 – Financial Commentary

This section provides detailed information about the TTC and Wheel-Trans Operating Budgets. In addition, progress on the TTC's Capital Program and specific information about selected capital projects is also provided.

4.1 – TTC Operating Budget

2013 Year-to-Date Results

To the end of Period 3 (April 6), total revenues were \$2.5 million (0.8%) below budget, primarily due to 0.7 million (0.5%) fewer customer journeys than planned and a slightly lower average fare (0.84¢ or 0.4%) stemming from marginally higher (about 0.8%) monthly pass sales. Over the same time period, expenses were \$2.5 million (0.6%) below target largely due to the timing of certain non-labour expenses.

2013 Year-End Projections

At this time, no significant revenue or expense budget variances are projected by year-end.

(millions)	Projection	Budget	Variance
2013 TTC Operating Budget			
Customer Journeys (Ridership)	528	528	-
Revenue	\$1,130.0	\$1,130.0	-
Expenses	\$1,541.0	\$1,541.0	-
Subsidy Required	\$ 411.0	\$411.0	-
Subsidy Available	\$411.0	\$411.0	-
Surplus/(Shortfall)	-	-	-

4.2 - Wheel-Trans Operating Budget

2013 Year-to-Date Results

To the end of Period 3 (April 6), total revenues were slightly (\$49K or 3.5%) above budget primarily due to 23K (3%) additional customer journeys made. Over the same time period, expenses were below target by a small margin (\$173K or 0.7%) primarily due to the timing of some non-labour expenses.

2013 Year-End Projections

Currently, a subsidy shortfall in the order of \$1.1 million (1.1%) is projected by year-end because a 3% higher demand for service is expected to drive up sedan taxi service requirements. Partially offsetting this increase are reduced accessible taxi service costs because more trips can be accommodated on the less-expensive sedan taxis, and savings from lower diesel fuel costs, and workforce gapping and associated benefits in the administrative areas.

(millions)	Projection	Budget	Variance
2013 Wheel-Trans Operating Budget			
Customer Journeys (Ridership)	2.917	2.877	0.04
Revenue	\$5.6	\$5.6	-
Expenses	\$103.5	\$102.4	1.1
Subsidy Required	\$97.9	\$96.8	1.1
Subsidy Available	\$96.8	\$96.8	-
Surplus/(Shortfall)	(1.1)	-	(1.1)

4.3 - Capital Program

2013 Year-to-Date Results

Capital expenditures to Period 3 typically reflect lower project activity as early efforts are focussed on setting up schedules and tendering work. Other current period activity includes settlement of 2012 accrued contract payments and continued progress on vehicle and construction contracts already in place. Under spending on vehicle delivery milestones and on delayed facility contract work are the most significant variances in the current period results.

2013 year-End Projections

(millions)	Projection	Budget	Variance
2013 Capital Program Budget*			
Base Program Total Costs	\$877.4	\$878.8	(\$1.4)
TYSSE Project	\$516.5	\$660.5	(\$144.0)

*Excludes carry forward spending on the base capital program (\$131.3M) and on the YYSSE project (\$182.2M).

Base Capital Expenditures: \$1.4 million under spent.

The budget of \$878.8 million approved by Council in January 2013 was increased by a requested carry forward adjustment of \$131.3 million pending Council approval. The current projected spending on the base capital program reflects expectations of being on budget (before the application of the carry forward) involving a number of major program variances as outlined below:

Leslie Barns Maintenance & Storage Facility - (\$56.2) million; facility construction is progressing slower than anticipated and staff working on recovery schedule with Contractor; Leslie St. contract awarded six months later than original schedule;

Toronto Rocket/T1 Rail Yard Accommodation - (\$12.2) million; schedule slipped due to delay in design refinement;

Purchase of Subway Cars - \$51.1 million; slippage of milestone payments, PST, and escalation from 2012 as well as transfer of contingency allowance to 2013;

Legacy LRVs - \$15.8 million; slippage of 2012 project milestones, PST, escalation and transfer of Options Allowance and project changes re: PRESTO to 2013;

TYSSE Project Expenditures: \$144.0 million under spent.

The project schedule has been negatively impacted by a number of contractor performance schedules and other earlier issues now past. Contractor performance has improved whereby contractors are currently performing well with the exception of the tunneling component of two contracts, which continues to be slow. Efforts by staff to improve progress of this component have intensified. A report was submitted to the October 24, 2012 Board meeting indicating a service date of Fall 2016.

Part 5 - Critical Projects

5.1 Toronto Rockets and Rail Yard Accommodation

Under the TR/T1 Rail Yard Accommodation project, major expansions are planned to address storage and maintenance of the Toronto Rocket on the YUS line and consolidated storage of the T1 trains on the BD line. The work includes:

- Wilson Yard: carhouse expansion, storage tracks and corresponding ladder tracks, runaround tracks, signal system, substation, T&S building renovation;
- Davisville Yard: carhouse expansion, consolidation of T&S facility;
- Keele Yard: facility rehabilitation for storage of T1 trains;
- Kipling Station: storage track; and
- Greenwood Yard: conversion of CN delivery track to storage and T&S building renovation.

Thirty-four trainsets have been accepted for revenue service to date. The established delivery schedule calls for commissioning two trainsets per month. Due to technical issues in manufacturing and poor reliability of trains in service, a delivery gap exists and the 2012 year-end quantity target was not met. A recovery plan is being negotiated for implementation as early as logistics would allow. The recovery plan will target to map out delivery of 70 trainsets in the Toronto Rocket subway train order by early 2014 as planned. A reliability improvement plan has been agreed upon. A staged mainline testing and roll-out schedule is being formulated.

The 70 trainsets are comprised of 39 trainsets for replacement of H4 and H5 series cars, 21 trainsets for replacement of H6 cars, and 10 trainsets for the Toronto-York Spadina Subway Extension (TYSSE) project.

5.2 Streetcar Program and Maintenance & Storage Facility

Streetcar Procurement

Final design phase of the low floor streetcar procurement project is largely complete. The first of the three test vehicles was delivered as scheduled by rail to Canadian Pacific's Lambton Yard, then by truck to TTC's Hillcrest complex in September 2012. Static system tests at TTC's Hillcrest facility have been progressing well and according to plan. Dynamic system tests on the mainline commenced on March 14, 2013.

The second vehicle was delivered on March 25, 2013 by rail directly to TTC's Hillcrest complex. Since its arrival, Car No. 2 has undergone coupled emergency recovery operational tests with Car No. 1. Recovery tests between the low floor streetcar and a Canadian Light Rail Vehicle (CLRV) and an Articulated Light Rail Vehicle (ALRV) have also been conducted.

Discussions on logistics of delivery timing of the third test vehicle for an optimized test plan continue. Part of the discussion pertains to providing more dynamic test track time and scope in Toronto and in Thunder Bay for the three test vehicles.

The prototype vehicles will undergo extensive vehicle reliability, performance and technology verification tests. System compatibility tests including accessibility features, safety against derailment, platform and on-street boarding interface with the vehicle and bridgeplate and ramp deployment will be performed. Fare card system if available, noise and ground-borne vibration, special trackwork and overhead power interface, etc. will also be conducted.

Based on the prototype tests, a baseline vehicle configuration will be established for production vehicles, scheduled for delivery beginning in the fall of 2013.

Leslie Barns Streetcar Maintenance & Storage Facility Project

The Leslie Barns project consists of four major contracts. A description and the status of each major contract are as follows:

1. Soil Removal and Capping

The site preparation contract was completed on January 27, 2012, on budget and ahead of schedule.

2. Leslie Barns Maintenance and Storage Facility

This contract consists of the construction of the maintenance facility and storage yard on the site. Approval to award this contract was received at the January 31, 2012 Board Meeting and the contract was awarded on April 12, 2012. Construction of this facility is ongoing. This phase of the project is trending towards completion on budget. Delays to the scheduled substantial completion date of June 2014 have been identified and the contractor has been requested to mitigate. A recovery schedule has been submitted and it is currently under review.

3. Hydro One Cable Relocation

The relocation of a major Hydro One distribution cable, buried around the west and north perimeter of the facility site, is required for the construction of the maintenance and storage facility. The contract is expected to be completed on budget in early summer 2013, approximately four months behind schedule. The perimeter of the site was handed over to the facility contractor on the contract milestone.

4. Leslie Street Connection Track

This contract consists of the construction of the streetcar tracks from the Leslie Barns site entrance to the existing streetcar network on Queen Street, associated utility relocations, road reconstruction, streetscape enhancements on Leslie Street and Queen Street, and the perimeter landscaping of the Leslie Barns site. The Board authorized award of the contract at its March 27, 2013 meeting. The contract was awarded on April 8, 2013.

The Leslie Street Connection Track budget is trending towards a shortfall of \$60M mostly due to extensive utility and enhanced streetscape and landscape work. This work includes relining or replacing existing storm and sanitary sewers and replacing an existing watermain. City Finance is aware of the increase that will be reflected in the TTC 2014-2023 budget cycle.

Landscape Enhancements - Lake Shore Boulevard to the Leslie Street Spit

The City of Toronto's Notice Approval Conditions (NOAC) for the project, requires landscape enhancements on the west side of Leslie Street from Lake Shore Boulevard to Commissioners Street, and both sides of Leslie Street from Commissioners Street to the entrance to the Leslie Street Spit. The design was presented to affected residents and businesses in October 2012 and was well received. The streetscape design was also presented again at the joint public meeting with Waterfront Toronto that was held on April 10, 2013.

Decorative Hydro and Street Lighting Poles

The NOAC requires decorative hydro transmission poles and compatible decorative street light poles that integrate with the streetscape design. The current design replaces the hydro poles with tapered, coloured concrete poles. All other poles are selected from a family of tapered, similarly coloured steel poles, and new streetlight fixtures and brackets have been adopted. Discussions are continuing amongst staff at the City of Toronto, the TTC and Toronto Hydro regarding pole sizes and footing details.

Communications Strategy

In conjunction with Waterfront Toronto and the City, a public communications strategy for the streetscape design and construction staging plan has been developed. Meetings to present the streetscape design to businesses and residents were held in October 2012. An alternative construction staging and traffic management plan was proposed by the contractor and was presented to the community for comments on March 27, 2013 and to local businesses in April 2013. Follow-up community and business meetings are planned for May 2013.

5.3 Station Enhancements

Union Station

Construction of the second platform for the Union Station subway station is proceeding toward completion in early 2015.

Dufferin Station

Construction of the Dufferin Station Modernization project is expected to be completed by summer of 2014.

Pape Station

Construction of the Pape Station Modernization project is expected to be completed by December 2013.

5.4 Easier Access

To date, 31 subway stations have been made accessible. The Easier Access III project will make the remaining stations accessible by 2025.

The elevators at St. Andrew station were opened for service on June 20, 2012. Pape and Dufferin Stations are expected to be completed by 2013 and 2014 respectively.

The construction contract for Lawrence West station was awarded in November 2012 and construction has commenced on site, with completion slated for 2014. Construction at Coxwell, Woodbine, and St. Clair West Stations is also expected to start in 2013.

5.5 Toronto-York Spadina Subway Extension Project

To date, the TYSSE project is on budget with a total budget of \$2,634 M including inflation.

At this time overall progress on most contracted work is good. The exception is the Sheppard West Station (Downsview Park Station) and Southern Tunnels contract where the progress of the tunnelling component continues to be slow. Also, progress on the Steeles West Station (Black Creek Pioneer Village Station) contract has slowed over the last few weeks. Efforts with the management of these two contracts to improve have intensified.

5.6 PRESTO / TTC Farecard Project

The legal agreement for implementing PRESTO at the TTC has been completed. The agreement includes a commitment to develop a detailed project schedule for the overall project through to final implementation and operation. Discussions between Metrolinx and TTC continue towards developing this schedule.

The initial release of PRESTO at the TTC will support the rollout of the new streetcars starting in Q1-2014. The scope of this initial release of PRESTO will include fare payment functionality on-board the new streetcars, off-board at select transit stops and subway stations. An RFP for the farecard equipment to support the initial release was issued, and is now in the final stages of contract award. TTC staff are working with Metrolinx to confirm the details, operational impacts and implementation plan for the initial PRESTO release. In parallel, preliminary testing of the PRESTO network communications continues using existing TTC streetcars. This includes building a simulation of the interface to the new streetcars.

Field studies to determine whether sufficient power is available at TTC subway stations to support PRESTO equipment are now completed. A work plan for the design of the required electrical upgrades at the initial 41 subway stations has been approved, and the first design package has been issued. A work plan for the remaining stations will be developed once the field studies are complete.