

TORONTO TRANSIT COMMISSION REPORT NO.

MEETING DATE: November 18, 2013

SUBJECT: Chief Executive Officer's Report –
November 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.

November 5, 2013

42-81

Attachment: Chief Executive Officer's Report



TORONTO TRANSIT COMMISSION

CHIEF EXECUTIVE OFFICER'S REPORT

NOVEMBER 2013 UPDATE



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TORONTO TRANSIT COMMISSION – MONTHLY SCORECARD



Key Performance Indicator		Description	Frequency	Latest Measure	Current	Target	Current Status	Trend	Ref. #
CSS		Customer Satisfaction Survey	Quarter	Q2	79%	TBD			2.2
Customer Journeys		Customer Trips	Period	P9	53.046M	53.341M			2.3
Punctuality – Subway and Scarborough Rapid Transit (SRT)									
Yonge-University-Spadina	Headway + 3 minutes	Period	P9	94.3%	96.0%			2.4.1	
Bloor-Danforth	Headway + 3 minutes	Period	P9	97.1%	97.0%			2.4.1	
Sheppard	Headway + 3 minutes	Period	P9	99.4%	98.0%			2.4.1	
SRT	Headway + 3 minutes	Period	P9	98.0%	96.0%			2.4.2	
Punctuality – Bus, Streetcar, and Wheel-Trans									
Bus	Headway +/- 3 minutes	Period	P9	62.6%	65.0%			2.5.1	
Streetcar	Headway +/- 3 minutes	Period	P9	71.3%	70.0%			2.5.2	
Wheel-Trans	Within 10 minutes of schedule	Period	P9	79.4%	90.0%			2.5.3	
Safety and Security									
Lost Time Injuries	Injuries / 100 Employees	Period	P9	3.38	TBD			2.6.1	
Customer Injuries	Injury incidents / 1M Vehicle Boardings	Period	P8	2.15	NA			2.6.2	
Behavioural Safety Index	Safety Focused Behaviour	Period	TBD					2.6.3	
Offences against Customers	Assault, theft, other	Period	P9	34	NA			2.6.4	
Offences against Staff	Assault, threat, other	Period	P9	40	NA			2.6.5	
People									
Attendance	Employee Absence	Period	P9	6.47%	< 6.50%			2.7.1	
Operator Hires	Actual vs. Budget	Period	P9	64	64			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	P9	98.2%	98.0%			2.8.1	
Escalators	% Escalators Available	Period	P9	97.2%	97.0%			2.8.2	
Fare Purchase Opportunity	% TVM's / PVM's Available	Period	P9	97.1%	96.0%			2.8.3	
Mystery Shopping and Audits									
Station Cleanliness	Cleanliness Audit Score	Quarter	Q3	72.3%	75.0%			2.9.1	
Vehicle Cleanliness	Cleanliness Audit Score	Quarter	Q3	62.4%	75.0%			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	P1-9	\$849.6M	\$858.7M			4.1	
TTC Operating Expenditure	Actual vs. Budget	Period	P1-9	\$1144.4M	\$1162.0M			4.1	
Wheel-Trans Revenue	Actual vs. Budget	Period	P1-9	\$4.3M	\$4.1M			4.2	
W-T Operating Expenditure	Actual vs. Budget	Period	P1-9	\$76.9M	\$77.8M			4.2	
Capital Expenditure – Base	Actual vs. Budget	Period	P1-9	\$360.7M	\$644.8M			4.3	
Capital Expenditure – TYSSE	Actual vs. Budget	Period	P1-9	\$270.6M	\$521.3M			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

The TTC achieved a significant milestone on September 27 when it carried the 29 billionth customer in its history. A further record was set on October 18 when daily ridership topped 1.8 million for the first time.

Last month, I indicated that discussions with the City continue regarding the TTC Operating and Capital Budget submissions for 2014 – 2023 and that I am resolute in expecting an increase in subsidy to accommodate and service ever-increasing customer numbers. In order to make the case for sustained, affordable funding for public transit, this is a message that must be delivered to all levels of government. Another key step in this advocacy occurred in late-October, when I was part of a delegation of the Canadian Urban Transit Association (CUTA) that spent two days in Ottawa meeting with Members of Parliament. Our key messages included highlighting the economic benefits of effective public transit and the need for ongoing investment to aid research and development into transit technology. The TTC now receives a subsidy per rider of 78 cents, the lowest of any North American transit system. With ever-increasing ridership, a funding freeze means the TTC will continue to receive less money for each rider it carries. I strongly believe that subsidy should be linked to ridership so that we may run the TTC with more financial certainty.

Customer journeys (ridership) were slightly below target in Period 9. The year-end outlook is that ridership and passenger revenues will fall slightly below target, primarily due to the combined effects of several severe winter storms, the severe rainstorm and flood aftermath in July, and decreases in the average fare that mostly stem from ongoing monthly pass sales growth.

Subway punctuality on the Yonge-University-Spadina line remained below target; however, performance improved for the second consecutive period after having declined for four consecutive periods. Subway punctuality rebounded to be above target on the Bloor-Danforth line and remained ahead of target on the Sheppard line. SRT punctuality continued ahead of target.

Improved reliability of our subway service is an important area of our business and I am encouraged by the above-noted turnaround in performance of the Yonge-University-Spadina Line. I attribute this performance to the good work of several teams that have been established to identify and resolve root causes of delays. One team is looking at ways to improve vehicle reliability and the Toronto Rocket is now starting to deliver better performance. Another team is focused on signal and switch failures at the same time as we get closer to the introduction of a new signal system. We’re operating with old technology and are in the midst of modernizing it. Until then, we must continue to operate the subway safely with the existing equipment. Finally, a third team is tasked with driving down the number of Passenger Assistance Alarm activations involving non-emergency incidents.

Bus punctuality fell below target. Streetcar punctuality rebounded to be above target for the first time in five periods. Wheel-Trans punctuality remained below target.

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

Elevator and escalator availability both remained above target. TVM/PVM availability increased to be above target for the first time in three periods.

On the financial side, total year-to-date TTC revenues were below budget, primarily due to two million fewer customer journeys than planned and a lower average fare than budgeted. 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).

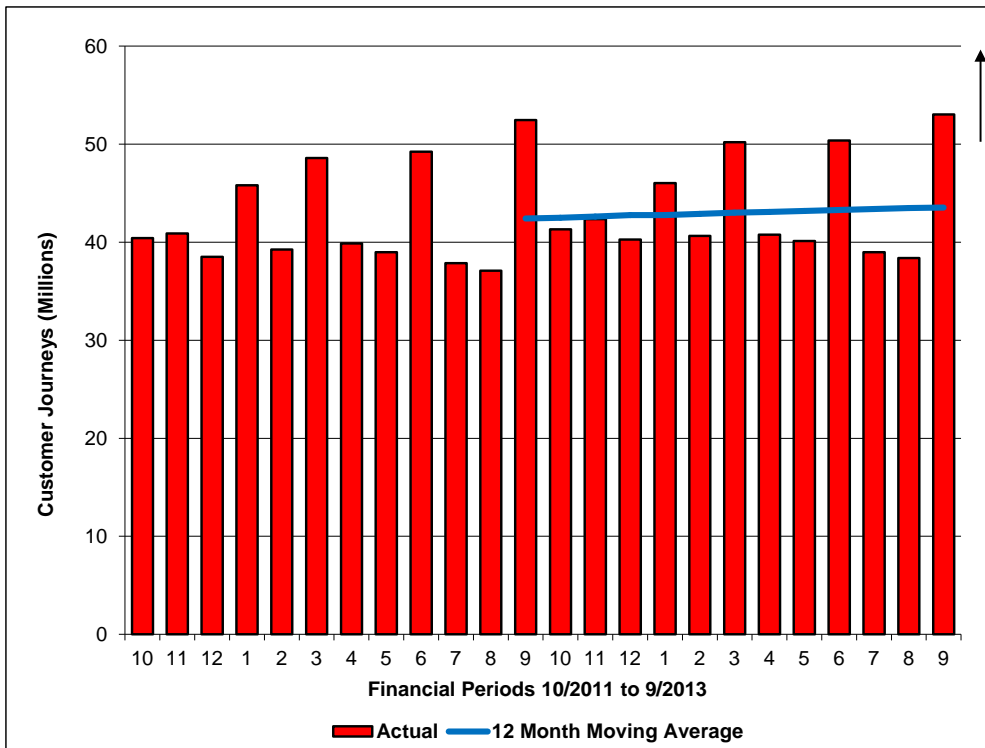
2.2 – Customer Satisfaction Survey

The Q2 2013 Customer Satisfaction Survey demonstrates an overall customer satisfaction rating of 79%. This represents a 4% improvement in overall customer satisfaction compared to Q1 2013 (75%) and a 7% increase compared to Q4 2012 (72%). The survey also demonstrated positive trends for customer perceptions of wait times for vehicles, duration of trips for buses and streetcars, and the cleanliness of subway vehicles.

The Q2 results are encouraging and are more consistent with the improvements in punctuality, vehicle and station cleanliness, escalator availability, and various “quick wins” that have been delivered in recent months.

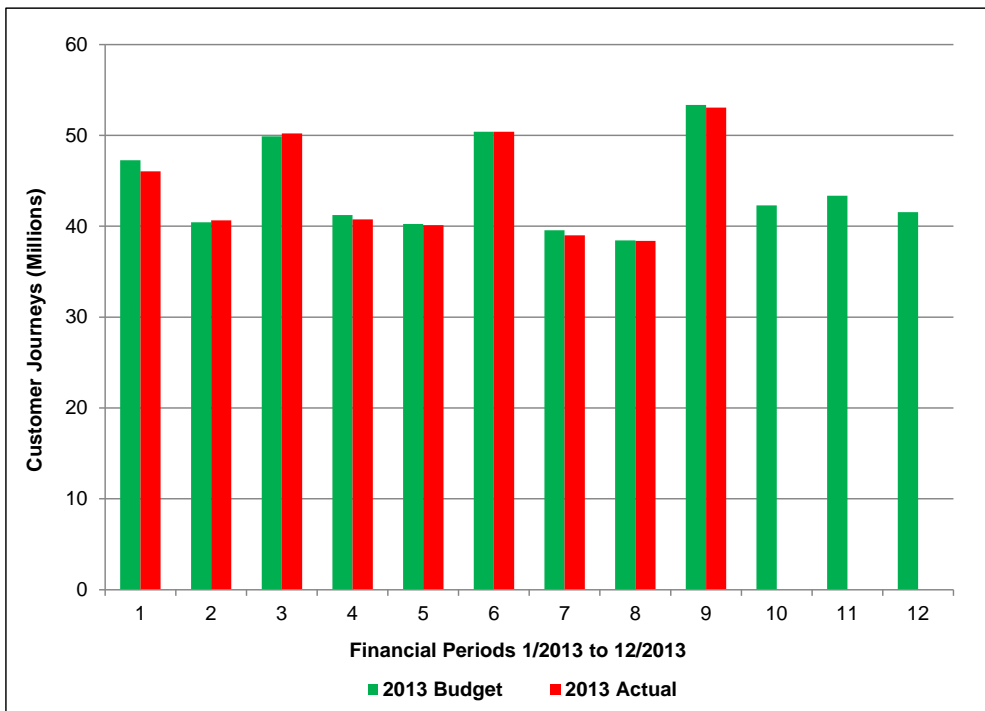
The detailed results of the Q1 and Q2 2013 Customer Satisfaction Surveys are available on the TTC’s website.

2.3 – Customer Journeys



There were 53.046M customer journeys (ridership) taken during Period 9 2013, which was 0.583M (+1.1%) more than the 52.463M journeys taken during Period 9 2012.

The annual number of customer journeys to the end of Period 9 2013 was 522.551M, which was 13.522M (+2.7%) more than the 509.029M annual journeys taken to the end of Period 9 2012.



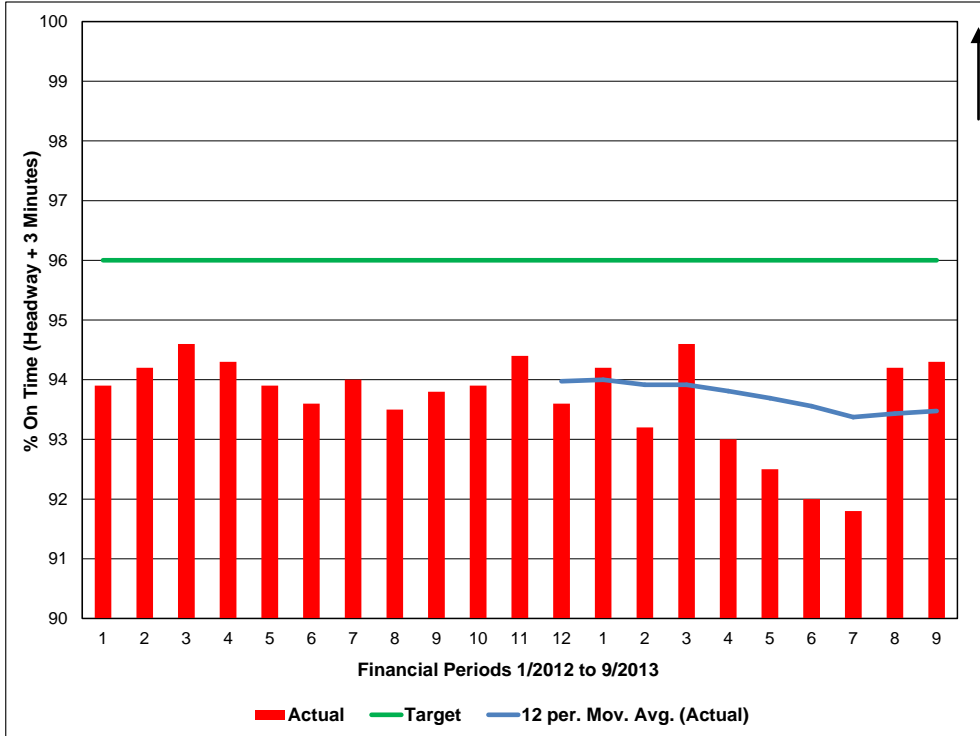
There were 53.046M customer journeys taken during Period 9 2013, which was 0.295M (-0.6%) less than the budget of 53.341M journeys.

The number of customer journeys taken year-to-date to the end of Period 9 2013 was 398.608M, which was 2.191M (-0.5%) less than the budget of 400.799M journeys.

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

2.4.1 – Subway

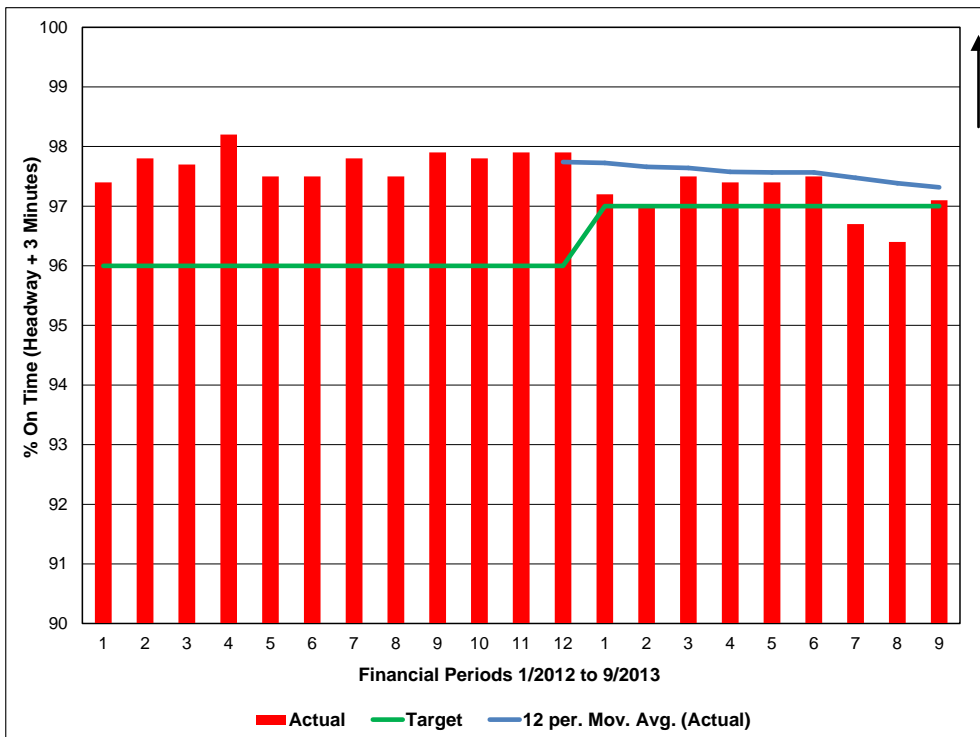
Yonge-University-Spadina Line



Performance increased for the second consecutive period. For all five weeks in Period 9, punctuality was better than the weekly 6 month moving average. Transit Control Centre strategies to improve headways in evening and weekend periods were implemented late in Period 9 and should contribute to further improvements in Period 10. Workforce levels affecting late evening headways continue to improve.

Out-of-service delays decreased, although Toronto Rocket cab door delays continue to be a problem; passenger-related delays due to PAA use increased. Action plans are being developed to address both of these issues.

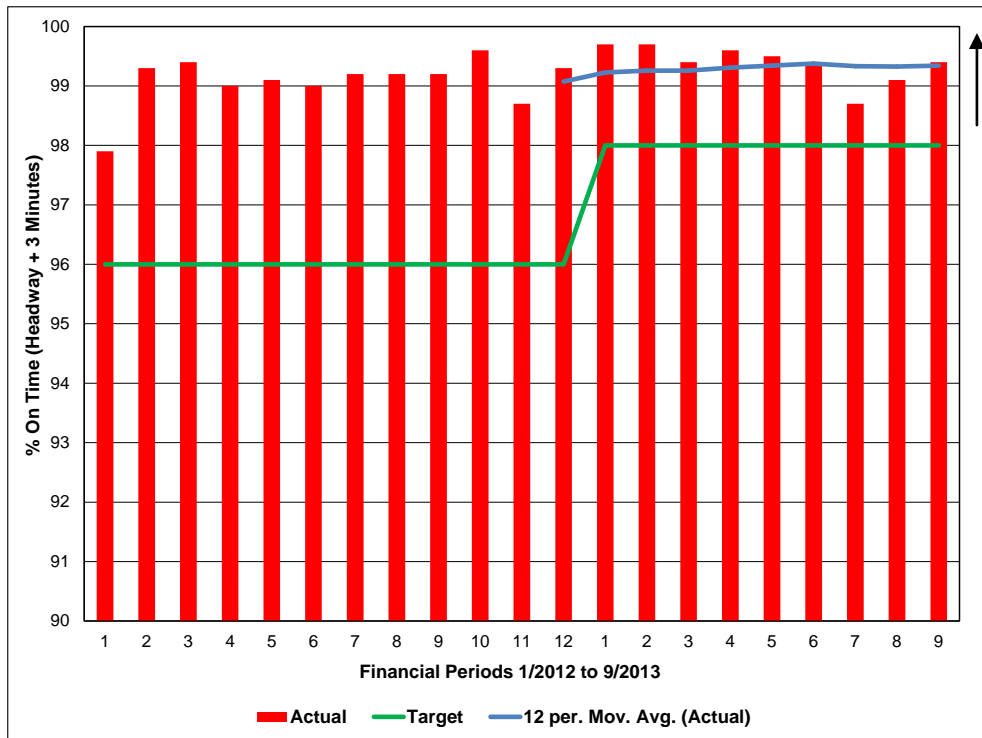
Bloor-Danforth Line



Performance increased to above target in Period 9 for the first time in three periods. This was partially due to improvements in workforce at both divisions, reducing cancellations, and reducing loans of trainsets to the YUS line.

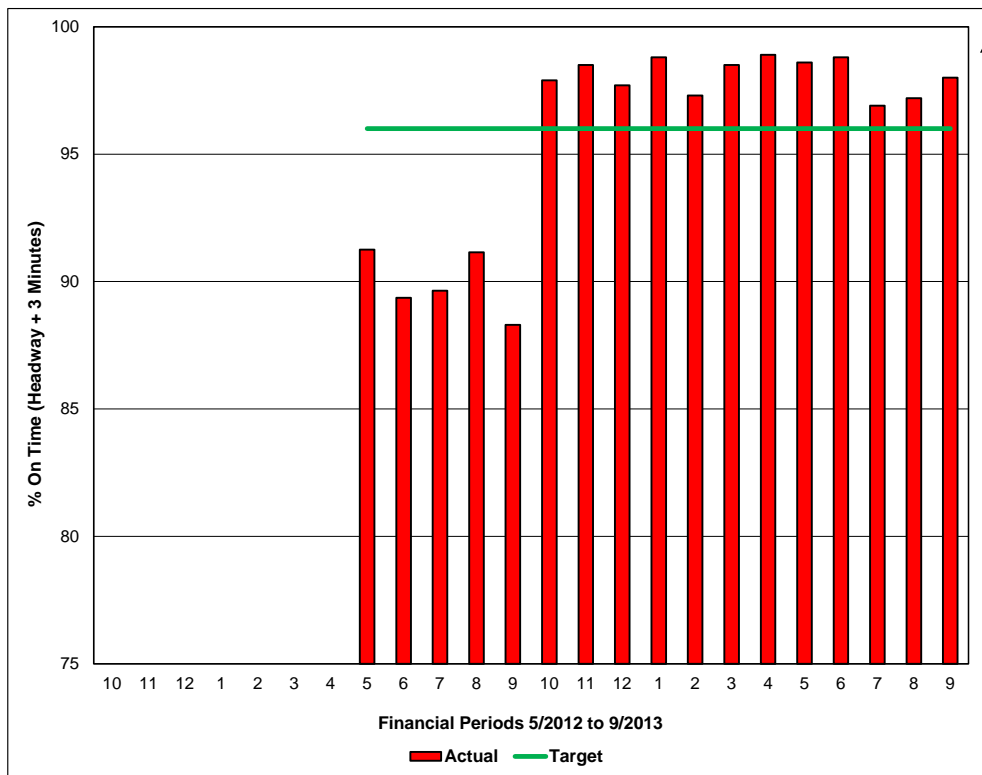
Increases in Plan B and PAA incidents and one lengthy Priority 1 incident negatively affected performance. Action plans are being developed to address issues involving Plan B and PAA incidents.

Sheppard Line



Performance continued well above target in Period 9.

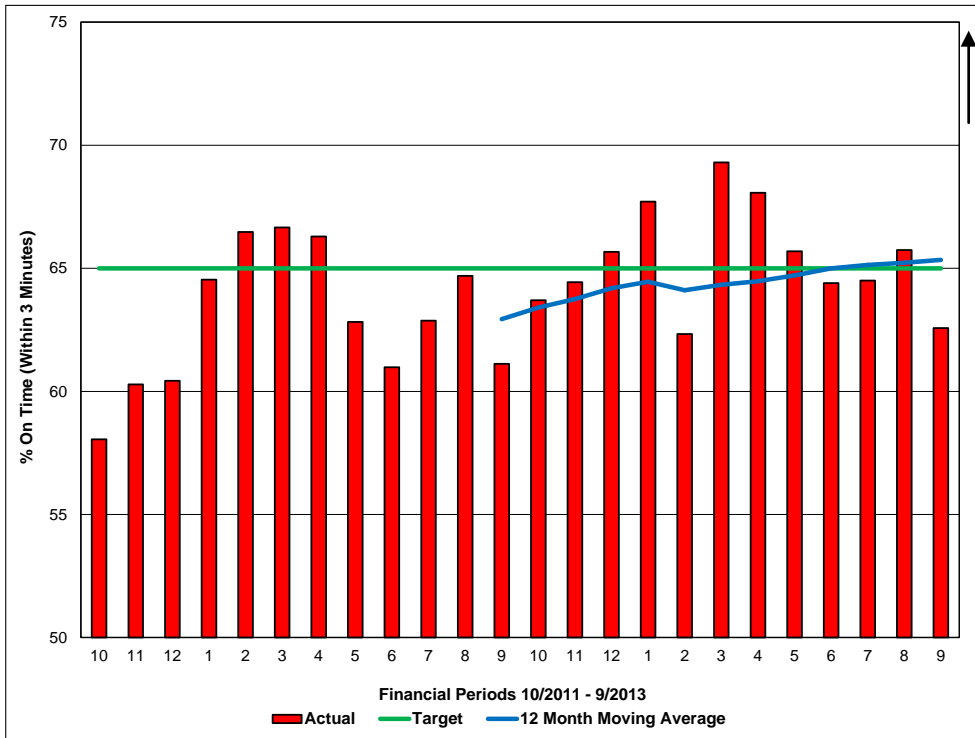
2.4.2 – SRT



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

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

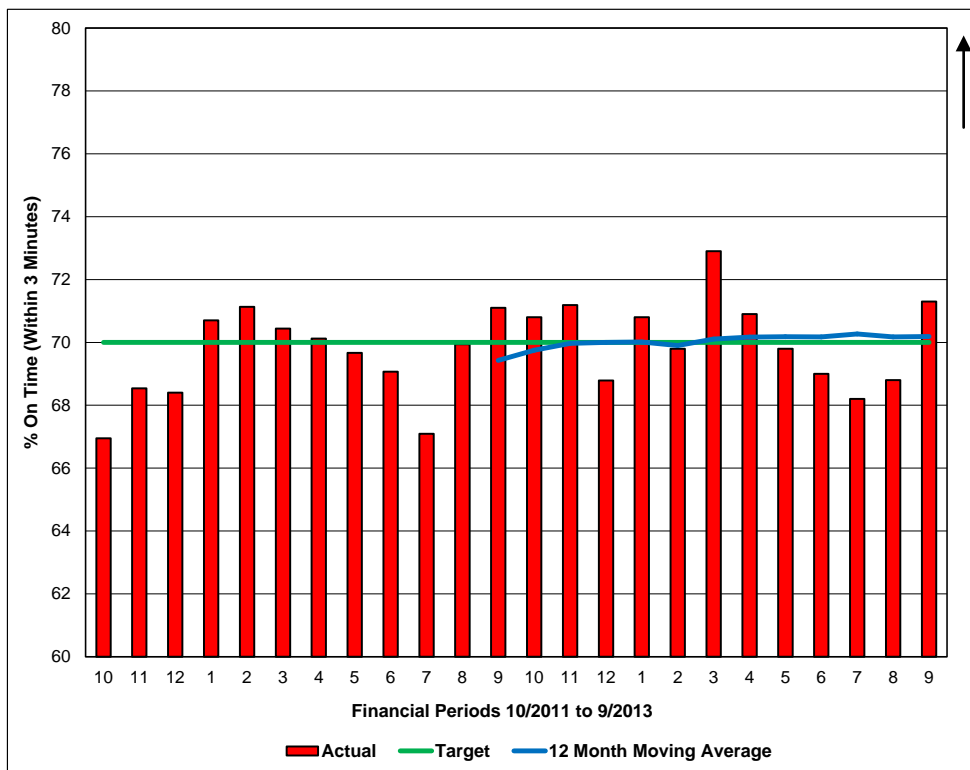
2.5.1 – Bus



Performance decreased in Period 9; however, it did improve in comparison to the corresponding period in 2012.

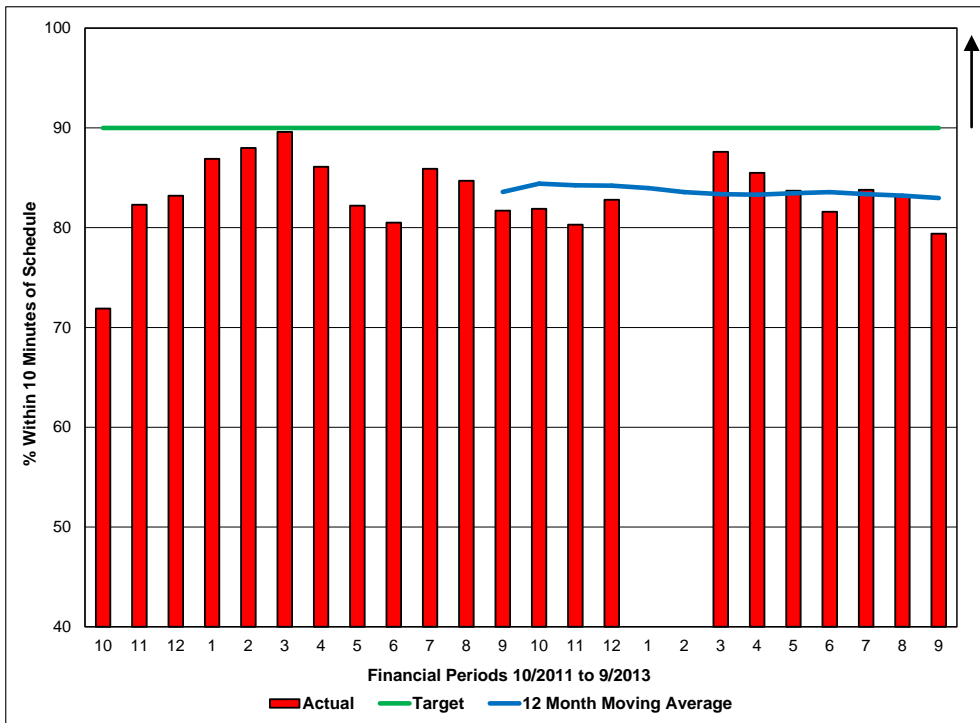
Period 9 is one of the most challenging times of the year to manage service due to the return to school after the traditional summer vacation time period. In addition, major construction on various routes, such as the Eglinton Crosstown Project, has challenged Bus Transportation operations. New schedules along with changing traffic patterns cause a shift in the performance curve.

2.5.2 – Streetcar



Performance improved in Period 9 to above target for the first time in five periods.

2.5.3 – Wheel-Trans

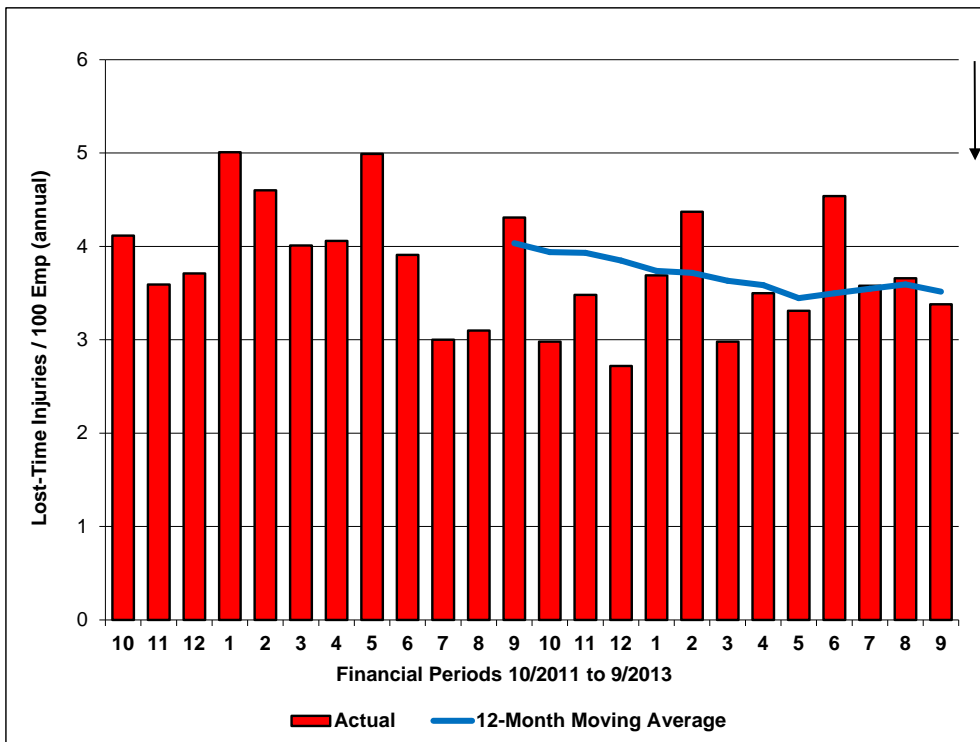


Performance in Period 9 decreased for the second consecutive period and remained below target.

Service in Period 9 followed the seasonal trend in which regular rides (subscriptions/prebooks) increase significantly. The decline in service is indicative of the travel pattern at this point in the year.

2.6 – Safety and Security

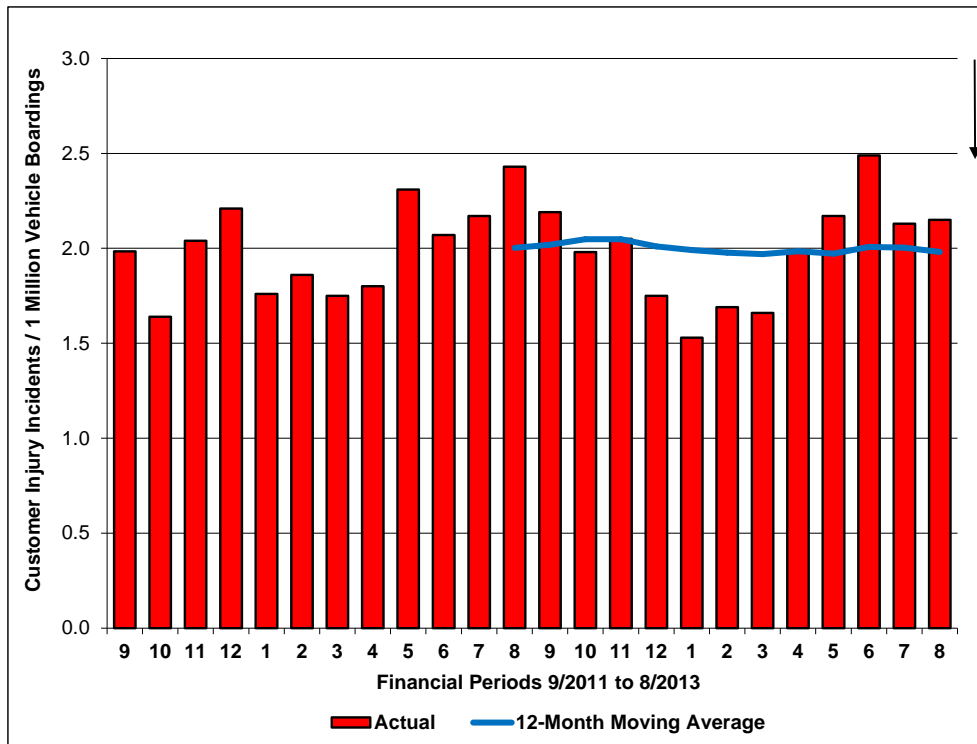
2.6.1 – Lost-Time Injuries (Annual Injuries / 100 Employees)



The annualized lost-time injury rate (LTIR) for Period 9 2013 was 3.38 lost-time injuries per 100 employees, which was 22% lower than the LTIR of 4.31 for Period 9 2012.

The moving annual LTIR to the end of Period 9 2013 was 3.52, which was 13% lower than the corresponding rate of 4.03 to the end of Period 9 2012.

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



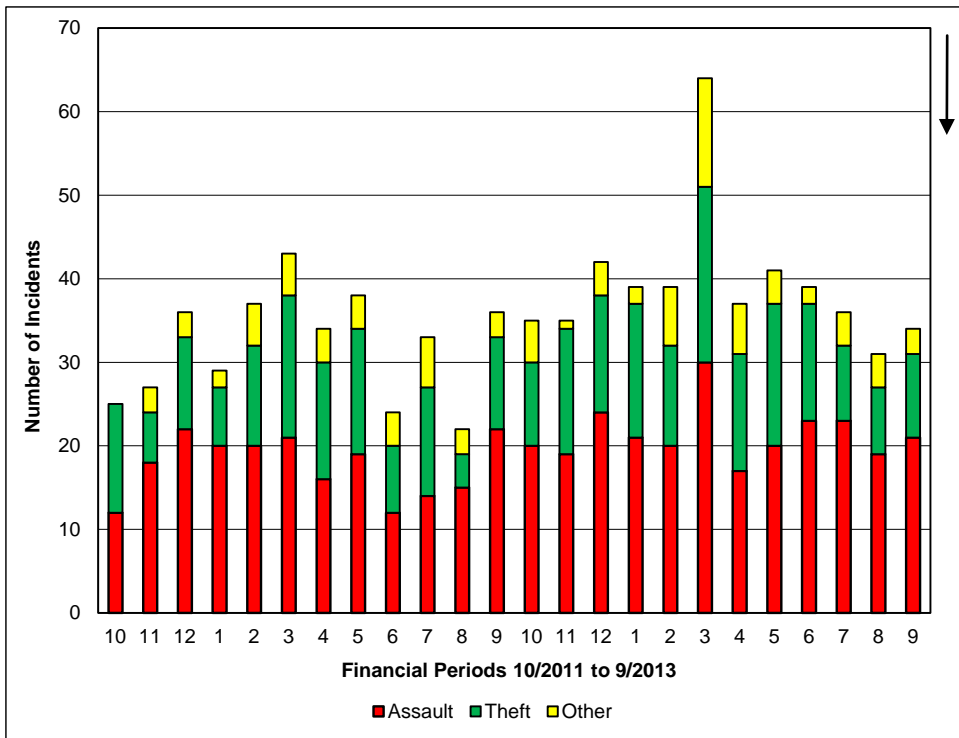
The customer injury incident rate for Period 8 2013 was 2.15 injury incidents per 1 million vehicle boardings, which was 12% lower than the corresponding rate of 2.43 for Period 8 2012.

The moving annual customer injury incident rate to the end of Period 8 2013 was 1.99, which was 1% lower than the corresponding rate of 2.00 to the end of Period 8 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.

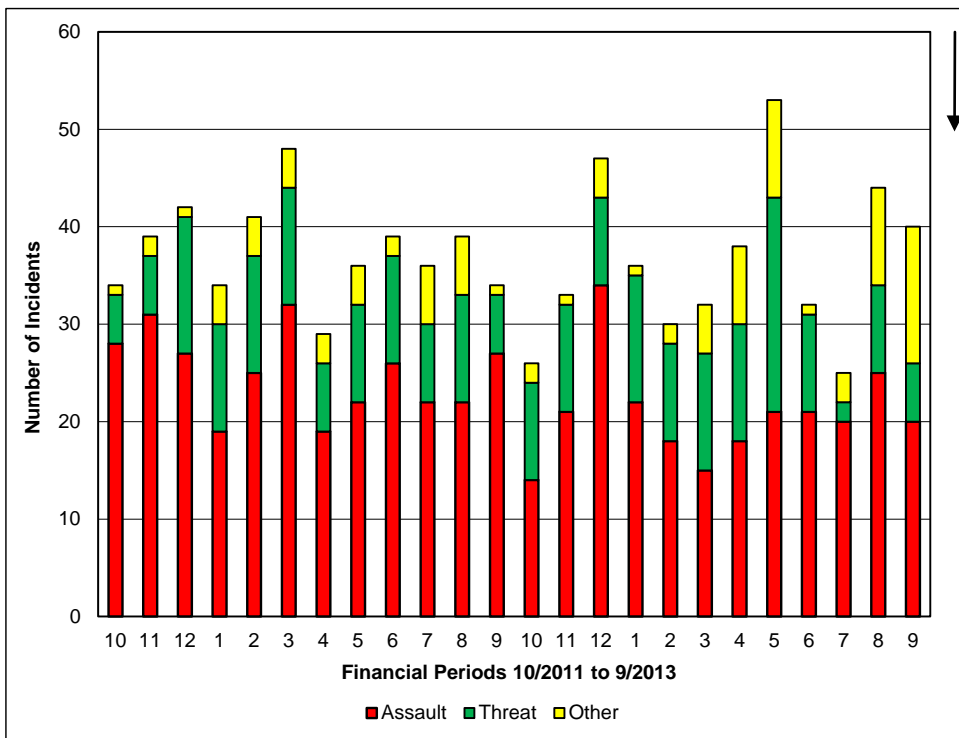
2.6.4 – Offences Against Customers



Total offences against customers increased in Period 9.

Year-to-date to Period 9, there were 64 more offences (360 vs. 296) compared with the corresponding period in 2012. This includes 35 more assaults (194 vs. 159), 20 more thefts and robberies (121 vs. 101), and nine more 'other' offences (45 vs. 36).

2.6.5 – Offences Against Staff

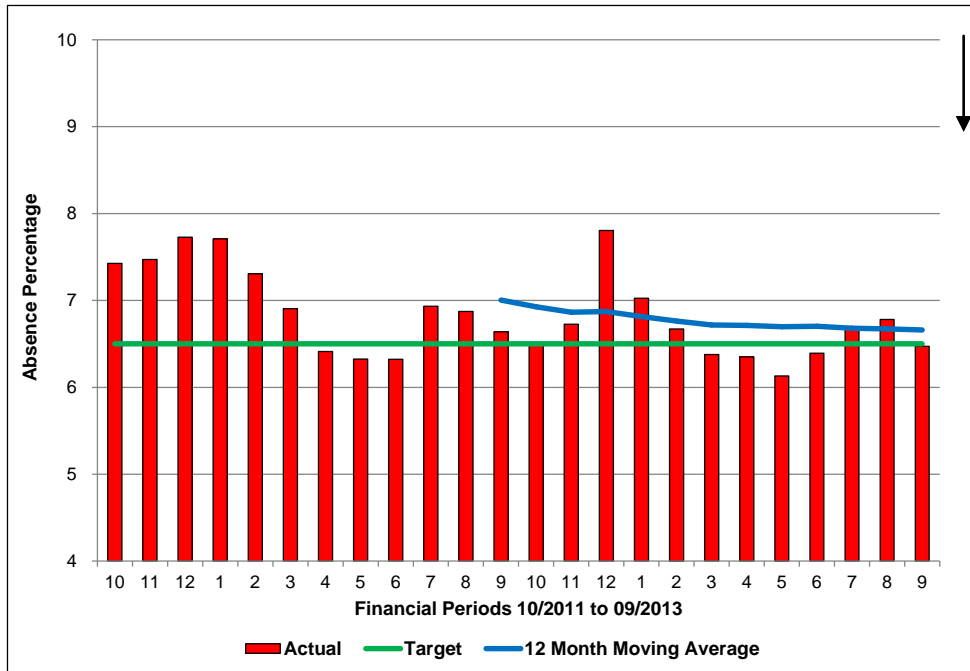


Total occurrences against staff decreased in Period 9.

Year-to-date to Period 9, there were six fewer offences (330 vs. 336) compared with the corresponding period in 2012. This includes 34 fewer assaults (180 vs. 214), eight more threats (96 vs. 88), and 20 more 'other' offences (54 vs. 34).

2.7 – People

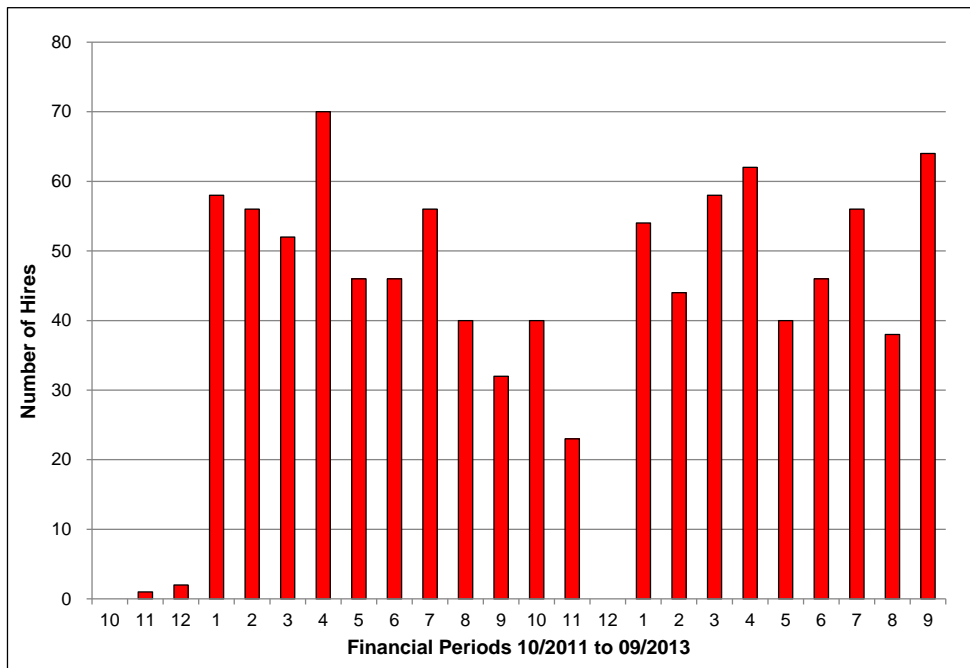
2.7.1 – Attendance



The absence rate for Period 9 was 6.47%, decreasing to below target for the first time in three periods.

The absence rate of 6.47% was 3% lower than the corresponding rate of 6.64% for Period 9 2012. This result reflects a continuation of the encouraging overall absence trend. For 20 of the past 22 periods, the results have been lower than the prior-year comparable period. Over the same timeframe, the moving annual rate has decreased by 10% from 7.41 to 6.67.

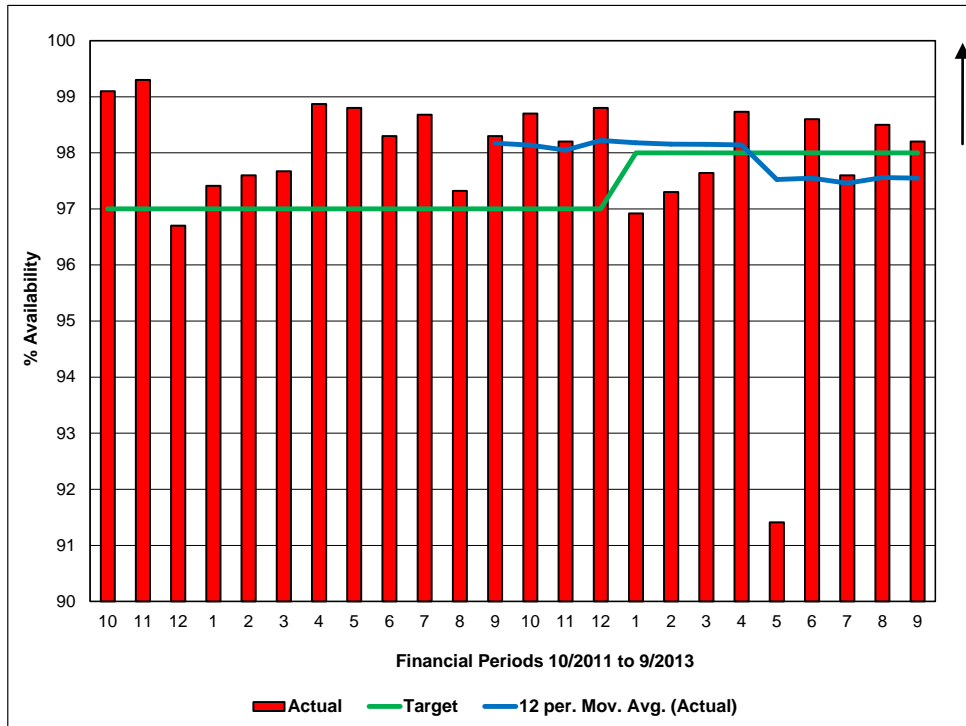
2.7.2 – Operator Hires



In Period 9, 64 Operators were hired, which was exactly on target.

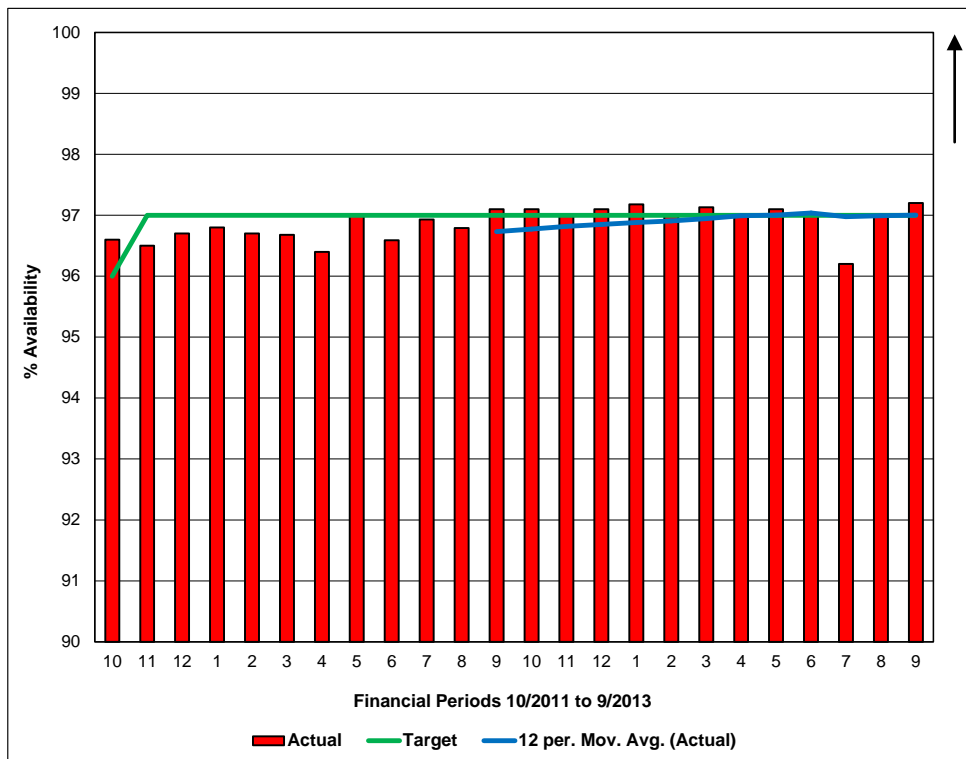
2.8 – Device Availability

2.8.1 – Elevator Availability



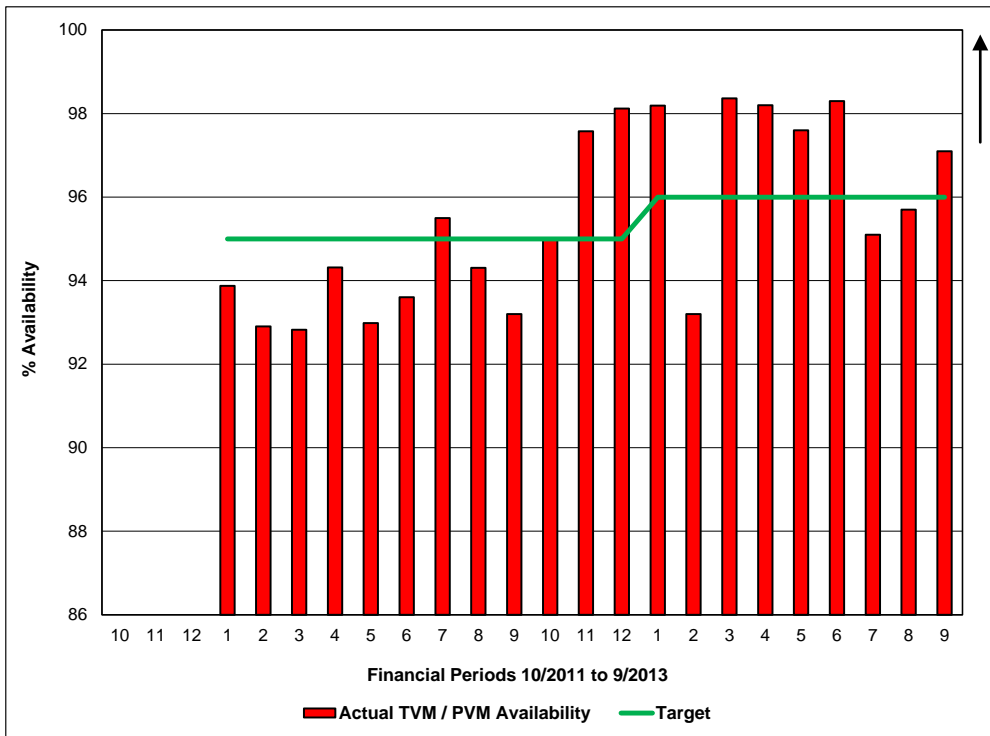
Performance in Period 9 was above target for the second consecutive period.

2.8.2 – Escalator Availability



Performance in Period 9 was at or above target for the second consecutive period.

2.8.3 – Fare Purchase Opportunity

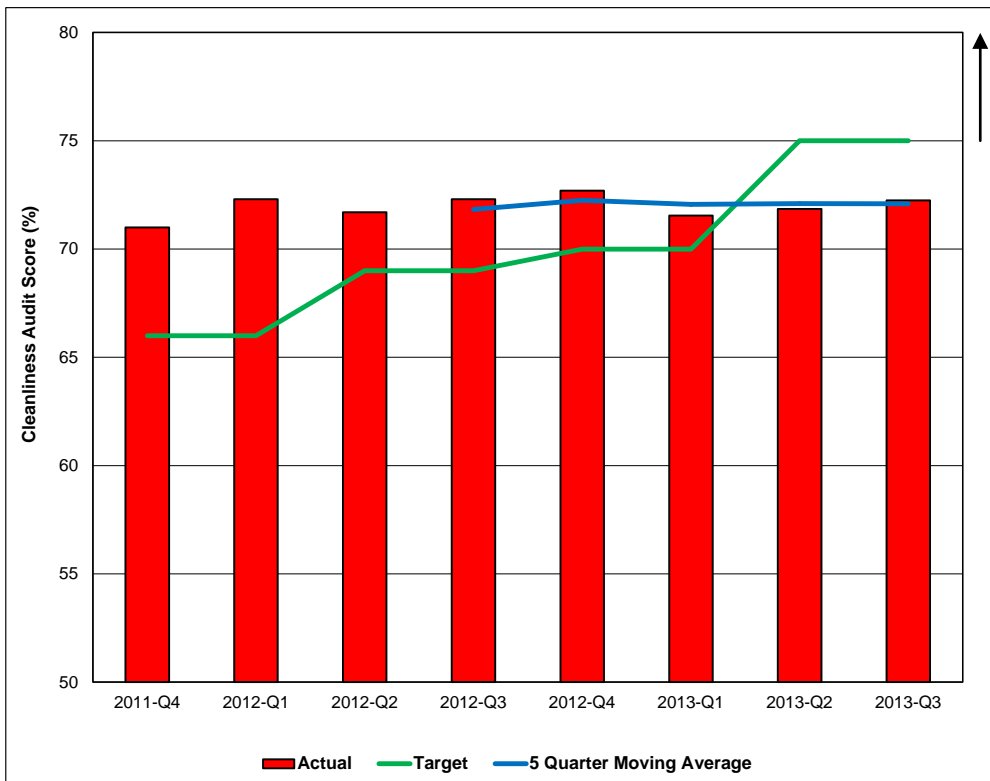


Performance increased to above target for the first time in three periods.

The improved performance was attributable to several factors including: two PVMs at Kipling Station that were damaged by the July flood were fully functional for all of Period 9, a significant improvement in overall PVM maintenance was achieved, and arrests were made involving TVM vandalism.

2.9 – Mystery Shopping and Audits

2.9.1 – Station Cleanliness

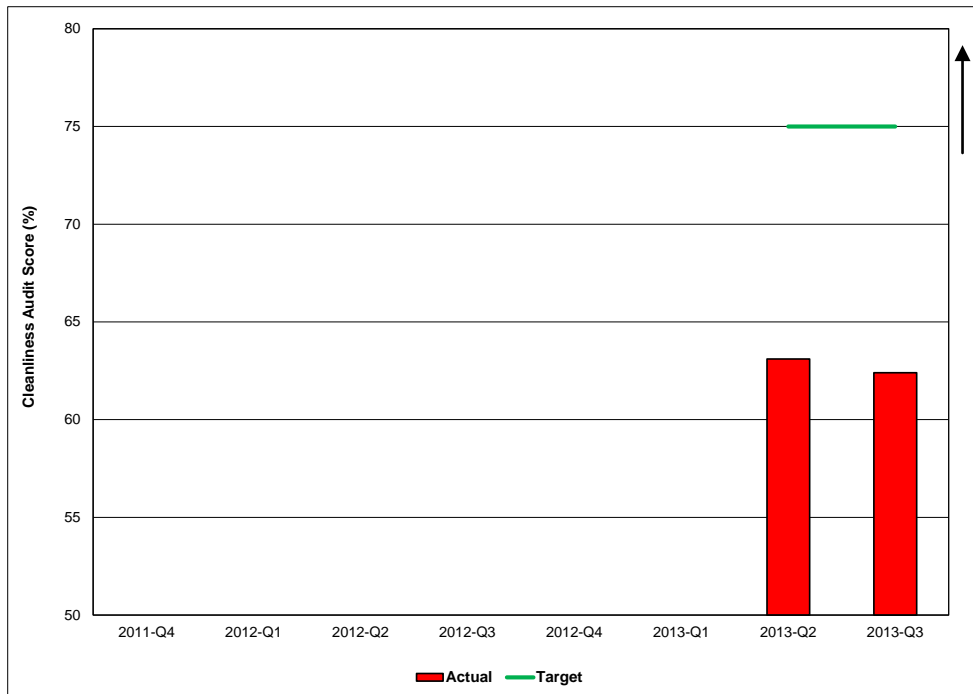


Performance increased marginally in Q3 but remained below the new stretch target of 75%.

Q3 results fell below target despite attempts to maximize cleaning throughout the summer via the station enhancement, accelerated relamping, and floor reconditioning programs.

Station Supervision has been negatively impacted by vacancies and illnesses. Increased supervision will be attained in conjunction with the full implementation of the Group Station Manager concept in Q4 2013.

2.9.2 – Vehicle Cleanliness



Overall performance decreased in Q3.

Subway/SRT cleanliness improved slightly, new cleaning initiatives and audit controls are expected to achieve sustained improvements. Streetcar cleaning efforts have been enhanced but the Q3 audit results are inconsistent with observed improvements by staff. Similar lower-than-expected results were also observed in Subway/SRT. Management is following-up with the Auditor to determine if the results are being skewed by vehicle-age appearance rather than by cleanliness.

Q3 results for Buses slightly declined. The quality of vehicle cleanliness remained high at facilities where the service line is contracted out. Slight declines were experienced at all other facilities, all of which are scheduled to be contracted out effective in late November 2013.

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.

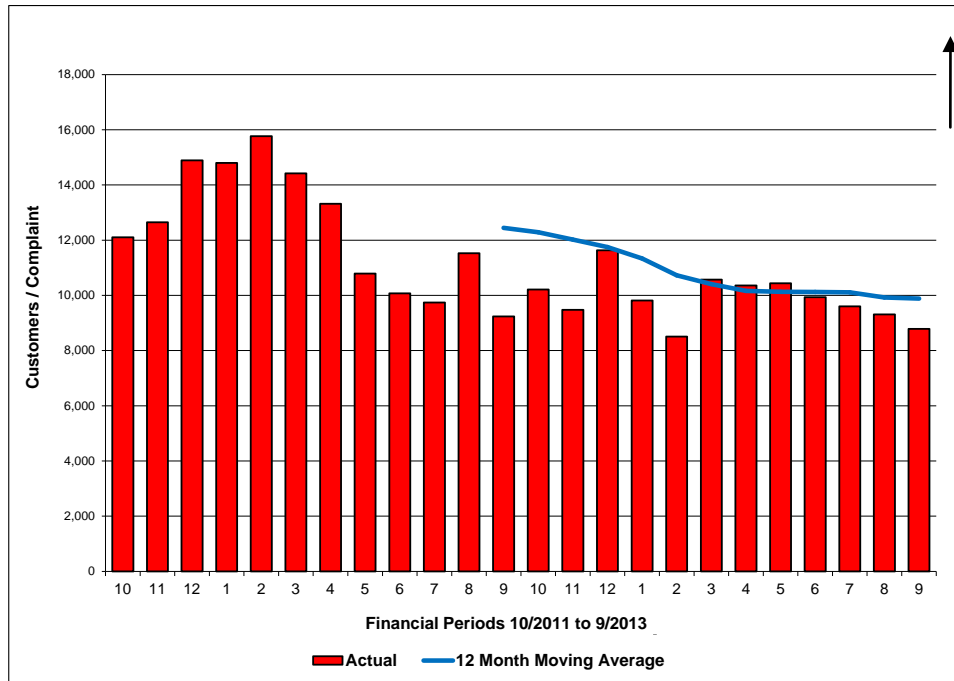
2.9.4 – Staff Helpfulness MSS

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, customer satisfaction improvement initiatives, and major closures and diversions.

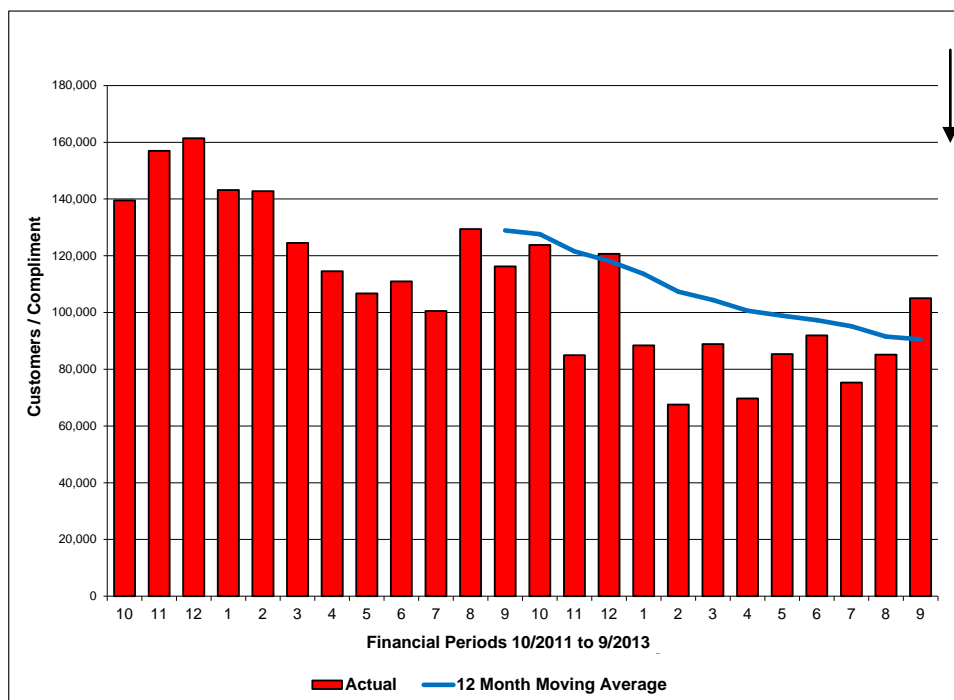
3.1 – Customer Complaints



Customers per complaint declined in Period 9 for the fourth period in a row.

The result is comparable to the value achieved in Period 9 2012 but is disappointing considering the more positive customer trends noted in the Customer Satisfaction Survey.

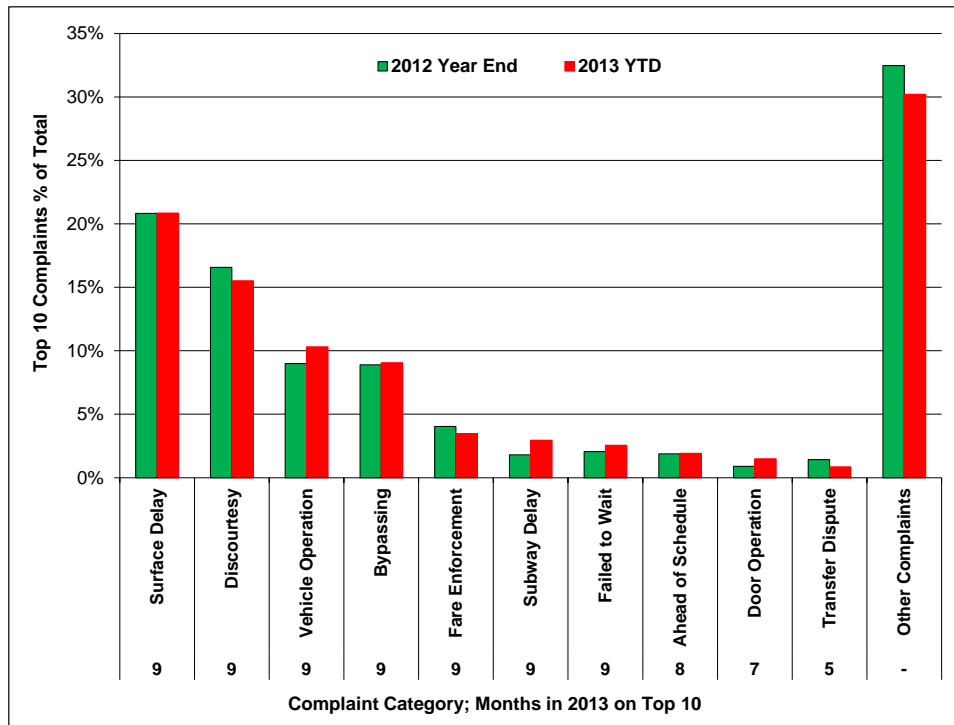
3.2 – Customer Compliments



Customers per compliment showed a negative trend for the second consecutive period.

The current result is more positive than for the comparable period in 2012 but does not reflect the more positive trends evident in the first eight periods of 2013.

3.3 – Top Ten Complaints



The general proportion and types of complaints remained largely unchanged. The proportion of complaints regarding discourtesy, the number two complaint category, is slightly lower than last year.

Consistent with results reported in previous periods, the top four complaint categories continue to account for over 50% of all complaints received by TTC.

3.4 – Commentary on Customer Satisfaction Improvement

The TTC achieved its Customer Charter commitments for Q3 2013. There were nine initiatives in total, ranging from maintenance blitzes at selected stations, continuing delivery of the new Toronto Rocket trains, and receipt of another two prototype low-floor streetcars and one prototype model of a new, larger “bendy bus” for testing purposes. Progress updates for all nine initiatives are posted on the TTC’s website. A further 13 Customer Charter commitments have been made for Q4 2013 and the results for these will also be reported later this year.

The TTC continues to conduct Meet the Managers sessions at subway stations. So far this year, sessions have been conducted at the following stations: Bathurst, Bay, Bloor-Yonge, Broadview, Davisville, Downsview, Dundas, Eglinton, Finch, Islington, Keele, Kennedy, Kipling, Pape, Queen’s Park, St. Clair West, Spadina, and Union. 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’s website.

The TTC is offering two more vintage posters to the public at its Customer Service Centre. This is in addition to the two posters previously available and the authentic TTC subway map.

The TTC will undertake a pilot at its Bloor-Yonge and St. George interchange stations to improve wayfinding signage and standards. The new standards being proposed are designed to bring a simple, non-fussy and accessible-to-all approach to information customers see and use in TTC stations, printed materials, maps, and online. Key elements of the pilot include the introduction of subway route numbering, simplified signage, and redesigned maps that allow riders to make self-navigation decisions quicker and with more clarity.

3.5 – Major Closures and 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 all repair work is completed.

Mode	Area Affected	Dates	Reason
Streetcar	Queens Quay Union Stn to Spadina	Jul 29/12 – Jun 21/14	Waterfront Toronto Queens Quay Reconstruction
Streetcar	Spadina Ave. and Queens Quay including Loop	May 13/13 – Feb 15/14	Platform Upgrades & Track Replacement
Streetcar	Kingston Rd. Queen to Victoria Park	Jun 3/13 – Dec 21/13	Track Rehabilitation
Streetcar	York St. Wellington to Queen	Jun 23/13 – Nov 23/13	Track Rehabilitation (at York St.)
Subway	St. Andrew Stn to Union Stn	Nov 23/13 – Nov 25/13	Union Station Foundation Work
Subway	Victoria Park Stn to Kennedy Stn	Nov 30/13 – Dec 2/13	Chestnut Curve Tie Installation

Detailed information on alternative services available during closures/diversions is provided on the TTC's website.

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 9 (October 5), total revenues were \$9.1 million (1.1%) below budget primarily due to 2.1 million (0.5%) fewer customer journeys than planned and a slightly lower average fare (1.09¢ or 0.5%) stemming from marginally higher (about 1.3%) monthly pass sales. Over the same time period, expenses were \$17.6 million (1.5%) below target largely due to savings on diesel prices and utilities, workforce gapping, and the timing of certain non-labour expenses.

(millions)	Projection	Budget	Variance
2013 TTC Operating Budget			
Customer Journeys (Ridership)	526	528	(2.0)
Revenue	\$1,122.1	\$1,130.0	(\$7.9)
Expenses	\$1,533.1	\$1,541.0	(\$7.9)
Subsidy Required	\$411.0	\$411.0	-
Subsidy Available	\$411.0	\$411.0	-
Surplus/(Shortfall)	-	-	-

While there is currently no projected overall year-end subsidy variance, the projected \$7.9 million revenue shortfall will be offset by projected reductions in expenditures. The following significant projected revenue and expense variances should be noted:

Passenger Revenues: \$9.3 million decrease

The number of customer journeys for the year is expected to be marginally (about 2 million) below target. Additionally, as noted in previous reports, higher than anticipated monthly pass sales continue to cause a slight decline in the average fare. Consequently, it is estimated that passenger revenues will fall about \$9.3 million below budget by the end of the year.

Other Revenues: \$1.6 million increase

The sale of retired subway cars accounts for this positive revenue variance.

Other Employee Costs: \$5 million decrease

Both health and dental care costs have been lower than budget so far this year.

Diesel Fuel: \$6.5 million decrease

To date, the price paid for diesel has generally been lower than budgeted.

Utilities: \$1.0 million decrease

On a year-to-date basis, natural gas rates have been lower than budgeted.

Workforce Gapping: \$7.7 million increase

Delays in filling budgeted positions are expected to generate these savings, net of any overtime impact.

Accident Claims settlements: \$13.6 million increase

With several large claims having been settled earlier this year, staff are reassessing the year-end projection with the TTC's actuary.

Other net changes: \$1.1 million decrease

This represents the sum of all remaining numerous, but relatively less significant, projected budget variances.

4.2 - Wheel-Trans Operating Budget**2013 Year-to-Date Results**

To the end of Period 9 (October 5), total revenues were slightly (\$101K or 2.4%) above budget primarily due to 22K (1%) additional customer journeys made. Over the same time period, expenses were below target by \$904K (1.2%) primarily due to savings on diesel (lower prices and bus service operated) and workforce gapping.

(millions)	Projection	Budget	Variance
2013 Wheel-Trans Operating Budget			
Customer Journeys (Ridership)	2.914	2.877	0.037
Revenue	\$5.7	\$5.6	\$0.1
Expenses	\$102.7	\$102.4	\$0.3
Subsidy Required	\$97.0	\$96.8	\$0.2
Subsidy Available	\$96.8	\$96.8	-
Surplus/(Shortfall)	(\$0.2)	-	(\$0.2)

Currently, a subsidy shortfall in the order of \$0.2 million (0.2%) 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.

4.3 - Capital Program

2013 Year-to-Date Results

Capital expenditures to Period 9 (October 5) reflect project work activity through the summer construction season, including continued progress on construction, vehicle, and other supply contracts. Under-spending on vehicle delivery milestones and 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	\$704.3	\$878.8	(\$174.5)
TYSSE Project	\$409.2	\$660.5	(\$251.3)

Base Capital Expenditures: \$174.5 million under

The current projected spending on the base capital program reflects expectations of being under budget \$174.5 million (before the application of the carry forward) involving a number of major program variances as outlined below:

YUS ATC Resignalling: \$23.7 million under

Slippage of ATC and Computer Based Interlocking Contracts and contingency.

Leslie Barns Maintenance & Storage Facility: \$56.2 million under

Facility construction is progressing slower than anticipated and staff is working on a recovery schedule with the contractor; Leslie St. contract awarded six months later than original schedule.

Toronto Rocket/T1 Rail Yard Accommodation: \$10.5 million under

The schedule has slipped due to delay in design refinement.

Purchase of Buses: \$14.7 million under

Slippage of 16 articulated buses into 2014 due to change in the delivery schedule by the manufacturer.

Purchase of Subway Cars: \$17.8 million over

PST and escalation from 2012 to 2013 partially offset by 2013 slippage of milestone payments to 2014.

Legacy LRVs: \$36.8 million under

Slippage of 2013 project milestones due to changes in delivery schedule and transfer of contract change allowance and contingency to 2014.

PRESTO / TTC Farecard Project: \$10.3 million under

Various factors have delayed the project in 2013, resulting in reduced resource requirements and slippage of costs to 2014.

TYSSE Project Expenditures: \$251.3 million under

The project schedule has been negatively impacted by contractor performance and other earlier issues. Schedule concerns remain on all major facilities contracts and may be compounded by ongoing Tunnel Boring Machine (TBM) maintenance issues. Staff continues its efforts to minimize the impact of potential schedule delays and to improve overall contractor performance.

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.

Forty-two trainsets have been accepted for revenue service to date. This marks the acceptance of the third trainset for the 21 H-6 replacement trainset option after the acceptance of Trainset 39 on August 6, 2013. Trainset 39 marked a milestone of the TR project as it represented completion of the original base order of 39 trainsets.

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 revised delivery schedule is being worked on for implementation as early as logistics would allow.

Retrofit work for trains that missed the ATO-readiness cut-in date on the Thunder Bay production line is progressing well. Only three more trains are awaiting ATO retrofit work in Bombardier's Kingston plant. Upon completion of the retrofit, all TR trains on property will be ATO-ready.

A reliability improvement plan comprised of component and system testing is largely completed. Retrofit work has been progressing well. Key train performance indicators and reliability are improving.

The overall 70 trainset Toronto Rocket project is 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) needs.

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 (No. 4400) was delivered as scheduled by rail to Canadian Pacific's Lambton Yard, then by truck to TTC's Hillcrest complex in September 2012. After undergoing structured static tests at TTC's Hillcrest facility, dynamic system tests on the mainline commenced on March 14, 2013.

The second vehicle (No. 4402) was delivered on March 25, 2013 by rail directly to TTC's Hillcrest complex. Since its arrival, Car 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. Dynamic clearance test on the network has commenced with an empty car,

and will progress to partial and full passenger load simulation tests to ensure no system interface encroachment exists.

The third test vehicle (No. 4401) was delivered on June 17, 2013. On June 25, members of the ACAT Design Review Subcommittee were invited to attend an accessibility feature assessment demonstration on 4401 in Harvey Shop. The demonstration was a culmination of years of consultation with the committee and the public. Further input has been collected during the demonstration session for continued dialogue with ACAT. One issue of particular concern related to the transition between the accessibility ramp and the vehicle floor through the door threshold. Design changes to the door threshold underframe structure and interface pieces had been initiated.

The prototype vehicles are undergoing 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 are being performed. Fare card system if available, noise and ground-borne vibration, special trackwork and overhead power interface, etc. will also be conducted.

As part of the technology verification program, Car 4400 was transported from TTC's Hillcrest yard to the National Research Council in Ottawa for climate room tests on July 23, 2013. The climate room tests included verification of system and component operation and performance, including HVAC capacity, under specified duty cycles and an extreme temperature range for Toronto. The tests concluded in mid-September. Valuable performance data have been collected. Necessary improvements have been identified for incorporation into the production vehicle configuration baseline.

Also on July 23, a Media Ride event was organized by Corporate Communications. Most of the City's TV, radio and print media participated. The media was taken from Hillcrest to Bathurst Station and back, with time allocated for vehicle walk-through discussions and ramp deployment. The Ride and the associated positive reports have generated considerable excitement in the City for the next generation of streetcar service.

Based on the prototype test results, and the improved accessibility ramp and ramp-car floor interface design, a baseline vehicle configuration will be established for production vehicles, scheduled for delivery beginning in late 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 in January 2012.

2. Hydro One Cable Relocation

The contract was completed in July 2013.

3. Leslie Barns Maintenance and Storage Facility

This contract consists of the construction of the maintenance facility and storage yard on the site. The contract was awarded on April 12, 2012 with completion in June 2014. The contract is trending towards completion on

budget; however, delays to the scheduled substantial completion date of June 2014 have been identified. The contractor has been requested to develop a recovery schedule to mitigate the delay. A recovery schedule was received and reviewed and construction is proceeding accordingly. The facility is now expected to be ready for use in early 2015.

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 contract was awarded on April 8, 2013. Work is progressing on schedule for completion by end of 2014.

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

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 in April 2013. The landscape enhancements will be completed by the end of 2014 as part of the Leslie Street Connection Track Contract.

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, complementary coloured steel poles, and new streetlight fixtures and brackets have been adopted. The design details are being finalized with the City of Toronto, TTC and Toronto Hydro.

Communications Strategy

Meetings regarding construction disruptions and traffic management were held with the community and businesses in March, April and May 2013.

The Construction Liaison Group (CLG), comprised of local businesses and residents, school representatives and local councillors, is continuing to meet on a monthly basis and will have its fourth meeting on November 7, 2013. The CLG acts as a key communication link between the local community and the TTC construction team.

The Leslie Barns project winter newsletter is being drafted and is scheduled to be distributed in mid-November 2013. The Leslie Twitter page, launched in June 2013, is being used on a regular basis to provide construction updates and to promote local business. The Community Liaisons have continued their outreach efforts by participating in local community events and will continue to hold one-on-one meetings with local businesses and respond to emails, phone calls, and walk-in questions and concerns from the public.

5.3 Station Enhancements

Union Station

The new concourse was partially opened to the public in May 2013 and the excavation completed in October 2013. The east portion of the second platform structure has commenced. The project is on schedule for completion in early 2015.

Dufferin Station

The second exits on Russett Avenue were opened on August 28, 2013. The project is expected to be completed by summer 2014.

Pape Station

The station was closed for 12 days from August 19, 2013 to August 30, 2013 to advance construction. The station reopened on schedule with a positive reaction from customers. Elevators to make the station accessible were put into service October 31, 2013. The second exit is expected to be completed by the end of 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 and Pape Stations were opened for service on June 20, 2012 and October 31, 2013 respectively. Dufferin Station elevators are expected to be completed in 2014. The elevator construction at Lawrence West Station is ongoing with completion slated for 2014. The Woodbine Station contract has been tendered and work is expected to start early in 2014. The St. Clair West contract is tendered with work commencing by early 2014. The design for Coxwell Station is nearing completion and the work is expected to be tendered by year-end. Construction of enabling works has commenced.

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.

Overall progress is good. One exception is the Sheppard West Station (Downsview Park Station) and Southern Tunnels contract where progress has improved but remains too slow to recover previously lost time. Most significantly, progress on the Steeles West Station (Pioneer Village Station) contract has not improved over the last few weeks. The continuing slow progress of this contract is now a serious issue with the contractor. Efforts with the management of these two contractors to improve advancement of the work are continuing.

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 2014. The scope of this initial release of PRESTO will include fare payment functionality onboard the new streetcars and 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 is working with Metrolinx to confirm the system design details, operational impacts, and implementation plan for the initial PRESTO release.

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 for circulation and approval. A work plan for the remaining stations will be developed once the data from the field studies has been compiled and evaluated.