

TORONTO TRANSIT COMMISSION REPORT NO.

MEETING DATE: April 30, 2014

SUBJECT: Chief Executive Officer's Report – April 2014 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.

April 17, 2014

42-81

Attachment: Chief Executive Officer's Report



TORONTO TRANSIT COMMISSION

CHIEF EXECUTIVE OFFICER'S REPORT

APRIL 2014 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	Q4	74%	TBD			2.2
Customer Journeys		Customer Trips	Period	P2	41.527M	41.234M			2.3
Punctuality – Subway and Scarborough Rapid Transit (SRT)									
Line 1 (Yonge-Univ-Spadina)	Headway + 3 minutes	Period	P2	92.7%	96.0%			2.4.1	
Line 2 (Bloor-Danforth)	Headway + 3 minutes	Period	P2	95.9%	97.0%			2.4.1	
Line 4 (Sheppard)	Headway + 3 minutes	Period	P2	99.5%	98.0%			2.4.1	
Line 3 (SRT)	Headway + 3 minutes	Period	P2	89.0%	96.0%			2.4.2	
Punctuality – Bus, Streetcar, and Wheel-Trans									
Bus	Headway +/- 3 minutes	Period	P2	64.8%	65.0%			2.5.1	
Streetcar	Headway +/- 3 minutes	Period	P2	68.2%	70.0%			2.5.2	
Wheel-Trans	Within 10 minutes of schedule	Period	P2	84.3%	90.0%			2.5.3	
Safety and Security									
Lost Time Injuries	Injuries / 100 Employees	Period	P2	5.63	TBD			2.6.1	
Customer Injuries	Injury incidents / 1M Vehicle Boardings	Period	P2	1.08	NA			2.6.2	
Behavioural Safety Index	Safety Focused Behaviour	Period	TBD					2.6.3	
Offences against Customers	Assault, theft, other	Period	P2	36	NA			2.6.4	
Offences against Staff	Assault, threat, other	Period	P2	37	NA			2.6.5	
People									
Attendance	Employee Absence	Period	P2	7.65%	< 6.50%			2.7.1	
Operator Hires	Actual vs. Budget	Period	P2	56	56			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	P2	97.9%	98.0%			2.8.1	
Escalators	% Escalators Available	Period	P2	96.9%	97.0%			2.8.2	
Fare Purchase Opportunity	% TVM's / PVM's Available	Period	P2	96.6%	96.4%			2.8.3	
Mystery Shopping and Audits									
Station Cleanliness	Cleanliness Audit Score	Quarter	Q4	71.0%	75.0%			2.9.1	
Vehicle Cleanliness	Cleanliness Audit Score	Quarter	TBD					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	P1-2	\$190.1M	\$193.4			4.1	
TTC Operating Expenditure	Actual vs. Budget	Period	P1-2	\$253.5M	\$258.2M			4.1	
Wheel-Trans Revenue	Actual vs. Budget	Period	P1-2	\$0.9M	\$0.9M			4.2	
W-T Operating Expenditure	Actual vs. Budget	Period	P1-2	\$17.8M	\$18.4M			4.2	
Capital Expenditure – Base	Actual vs. Budget	Period	P1-2	\$76.4M	\$167.3M			4.3	
Capital Expenditure – TYSSE	Actual vs. Budget	Period	P1-2	\$20.0M	\$102.1M			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 communicated extensively about transforming the TTC into a modern organization that meets our vision – a transit system that makes Toronto proud. Being open to new ideas is a key enabler to achieving this transformation. All successful companies seek out best practices from around the world, as well as from other industries. Transit is no different. The TTC actively participates in a number of national and international forums, each designed to share knowledge and to promote excellence in the provision of customer service. One such forum is the Nova Group of metros (subway systems) of which I am currently the Chair. Nova is made up of 16 metros from around the world, each of which shares operational and performance data, enabling learning from others’ experiences in an effort to identify areas where each can improve.

It’s also invaluable to learn from other industries and this has been demonstrated by how the TTC has recently broadened its reach when recruiting for key management positions. Of the six Group Station Managers recruited just over a year ago, four came from non-transit backgrounds, reflecting the value that we now put on fresh thinking. The Group Station Manager role is a good example of a concept imported from elsewhere. In fact, it’s based on the job that I held in the London Underground in the mid-1990s. Ultimately, a key tenet of our ongoing modernization program is to be more receptive to new ideas and to introduce and adopt both innovative and proven ways of delivering our service.

One common challenge all transit agencies face is the effective management of service, people, and customer communications during an emergency. For a little under two hours on the evening of April 15, our subway service was unavailable from St. George to Jane Stations on Line 2 (Bloor-Danforth) due to a major power outage that affected much of the west-end of Toronto. Our ability to effectively deploy a replacement shuttle bus service was temporarily hampered due to a power loss at the Mount Dennis bus division where buses would have been dispatched to Bloor St. to act as shuttles. We overcame that quickly and, in the end, had 40 buses operating to get our customers to where they needed to go while the subway remained unavailable in the area. Emergency lighting in subway stations operated as designed and customers on affected trains were evacuated safely. There are always lessons to be learned post-incident, and my team is conducting such a review in this case.

Customer journeys (ridership) and passenger revenues were slightly above target.

Subway punctuality on Line 1 (Yonge-University-Spadina) and Line 2 (Bloor-Danforth) remained below target. Punctuality remained above target on Line 4 (Sheppard). Line 3 (SRT) punctuality fell below target. A combination of the effect of extreme cold weather, aging equipment, and ever-rising customer numbers made the challenge of delivery of on-time reliable service even greater. While weather is a seasonal factor, the age of our equipment and our limited capacity to continue to accommodate ever greater customer volumes means that until we can deliver modernized, expanded assets, our day-to-day people and equipment performance must improve exponentially.

Bus punctuality fell below target. Streetcar punctuality and Wheel-Trans punctuality both remained below target.

Employee absence remained well above target. The favourable long-term trend of period results being consistently lower than the comparable prior-year period continues to soften.

Elevator availability and elevator availability were marginally below target. TVM/PVM availability was above target.

On the financial side, year-to-date revenues were below budget, primarily due to 1 million fewer customer journeys than planned and a lower average fare stemming from higher monthly pass sales. Operating expenses were below budget largely due to the timing of certain non-labour and accident claims expenses. Capital expenditures were below budget due to typically lower project activity early in the year.

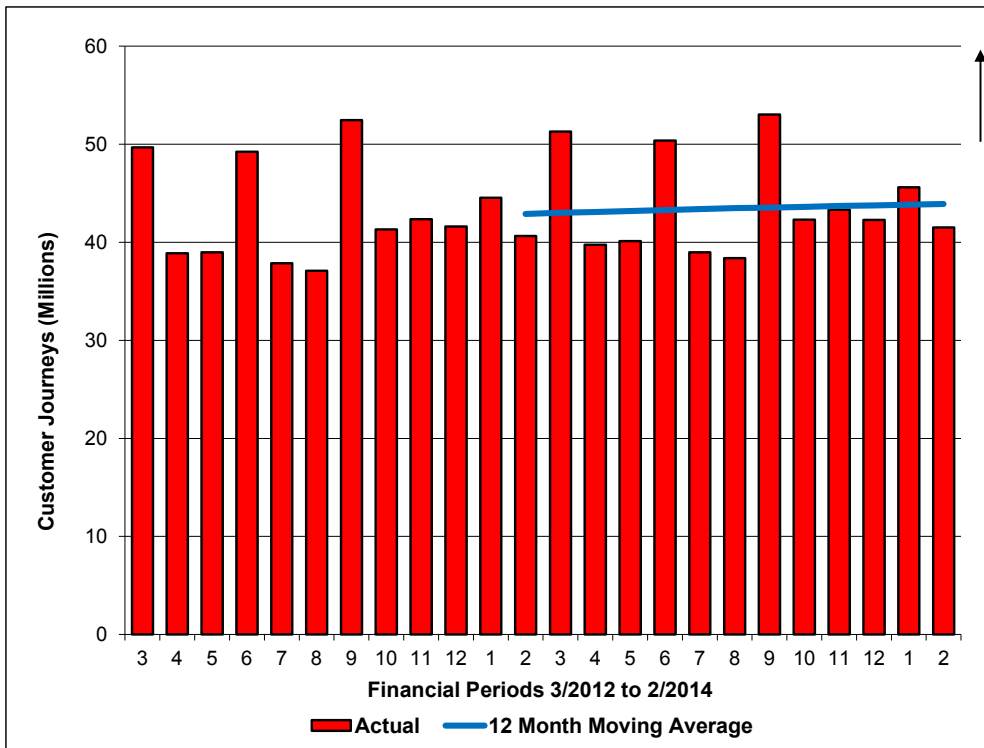
2.2 – Customer Satisfaction Survey

The Q4 2013 Customer Satisfaction Survey demonstrates an overall customer satisfaction rating of 74%. This represents a slight decline in overall customer satisfaction compared to Q3 2013 (75%), but is higher than the comparable period in 2012 (72%). There may be some seasonality trends evident in the Q4 results, as Q3 and Q4 trends in 2012 also reflected lower customer satisfaction levels than the first half of the year.

Despite the decline in overall customer satisfaction rating, there were some positive trends with customer satisfaction on specific aspects of TTC service. TTC customers noted improvements for Q4 2013 in the following areas: cleanliness of the subway station, wait times for subway trains, cleanliness and freedom from litter inside subway trains and buses, level of crowding in buses, subway station staff available for help, and duration of bus trips.

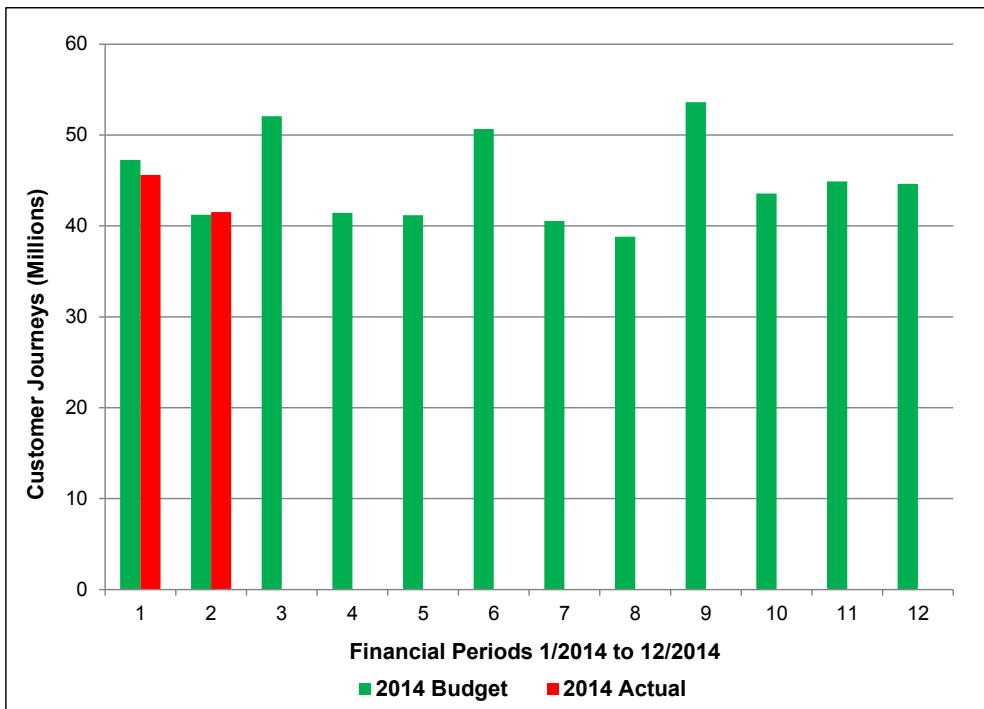
There were no significant declines for any of the subway, bus, or streetcar service attributes from Q4 2012 to Q4 2013. Furthermore, in Q4, the perceived value for money has remained consistent, with 90% of respondents providing a rating of “average” or better.

2.3 – Customer Journeys



There were 41.527M customer journeys (ridership) taken during Period 2 2014, which was 0.873M (+2.1%) more than the 40.654M journeys taken during Period 2 2013.

The annual number of customer journeys to the end of Period 2 2014 was 527.054M, which was 12.376M (+2.4%) more than the 514.678M annual journeys taken to the end of Period 2 2013.



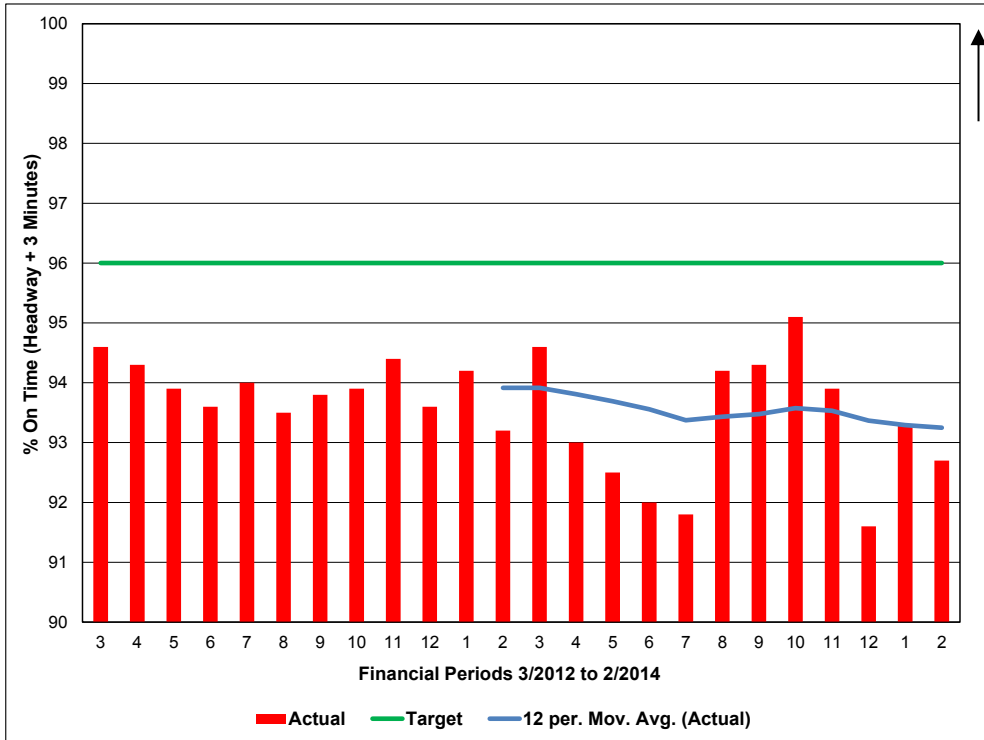
There were 41.527M customer journeys taken during Period 2 2014, which was 0.293M (+0.7%) more than the budget of 41.234M journeys.

The number of customer journeys taken year-to-date to the end of Period 2 2014 was 87.139M, which was 1.351M (-1.5%) less than the budget of 88.490M journeys.

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

2.4.1 – Subway

Line 1 (Yonge-University-Spadina)

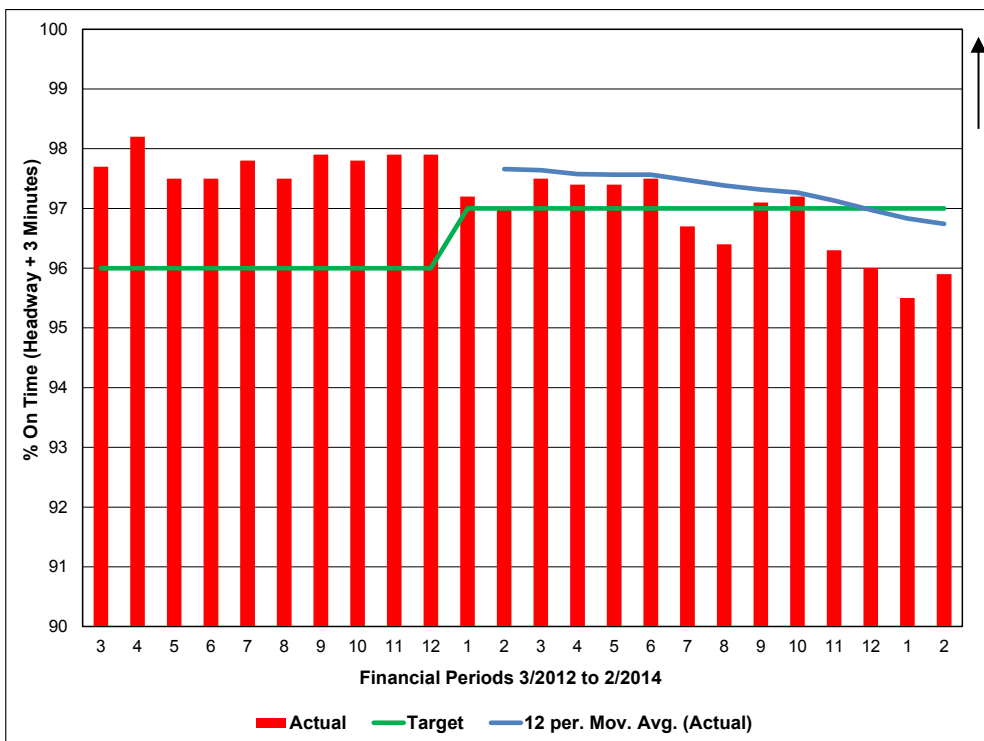


Performance decreased in Period 2 and remained below target.

The decreased performance was due to equipment and infrastructure delays caused by inclement weather, weekend closures that resulted in split service, and a higher than average number of speed control events.

Software upgrades for speed control should decrease the number of emergency brake incidents and, as the weather improves, a decrease in infrastructure (signals and track) related delays is anticipated.

Line 2 (Bloor-Danforth)

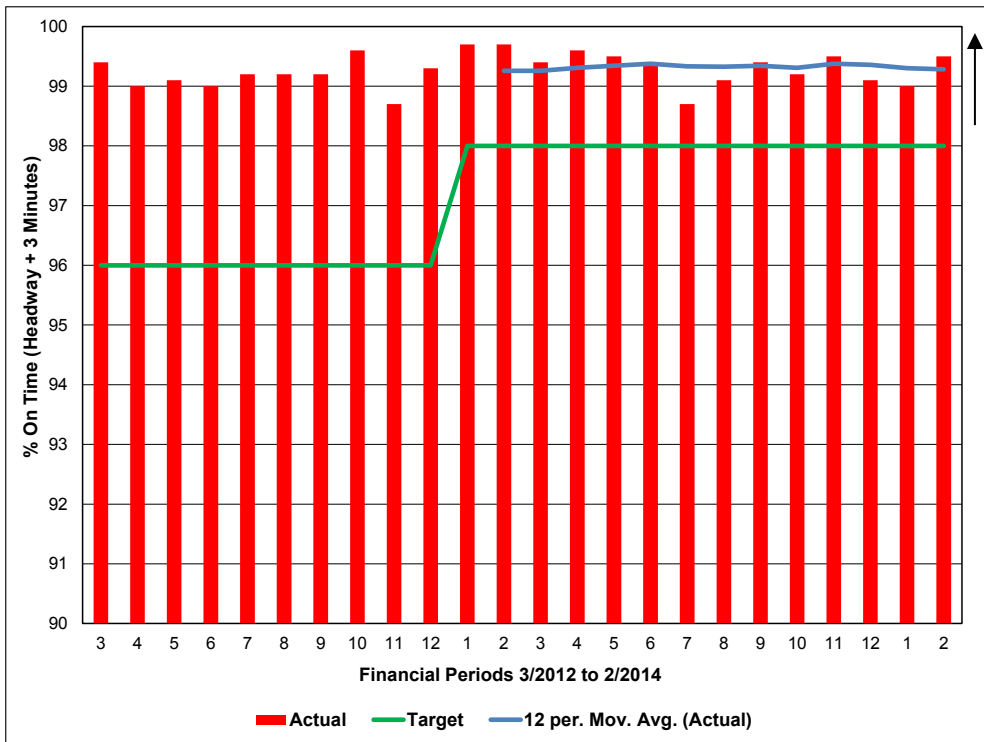


Performance in Period 2 increased but remained below target for the fourth consecutive period.

Weather related issues had a negative impact on rolling stock and infrastructure (track and signals); improvement is anticipated as spring approaches.

One continuing concern is the roll out of speed control as 324 emergency brake incidents were recorded in Period 2 (another increase over previous period results). With a new software update expected, this should present less of a challenge in future periods.

Line 4 (Sheppard)

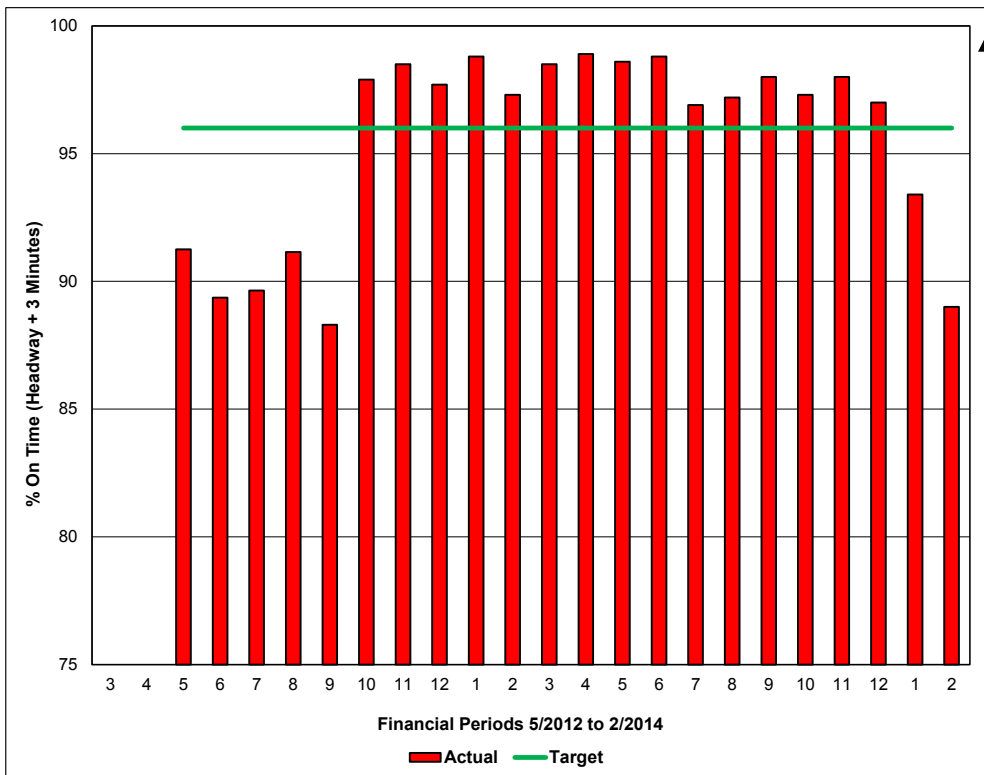


Performance continued well above target in Period 2.

On time performance remains high on the Sheppard line due primarily to a relatively low volume of delay incidents, minimal impact of inclement weather, and a high level of resilience in the ability to maintain headways when delays do occur.

2.4.2 – SRT

Line 3 (SRT)



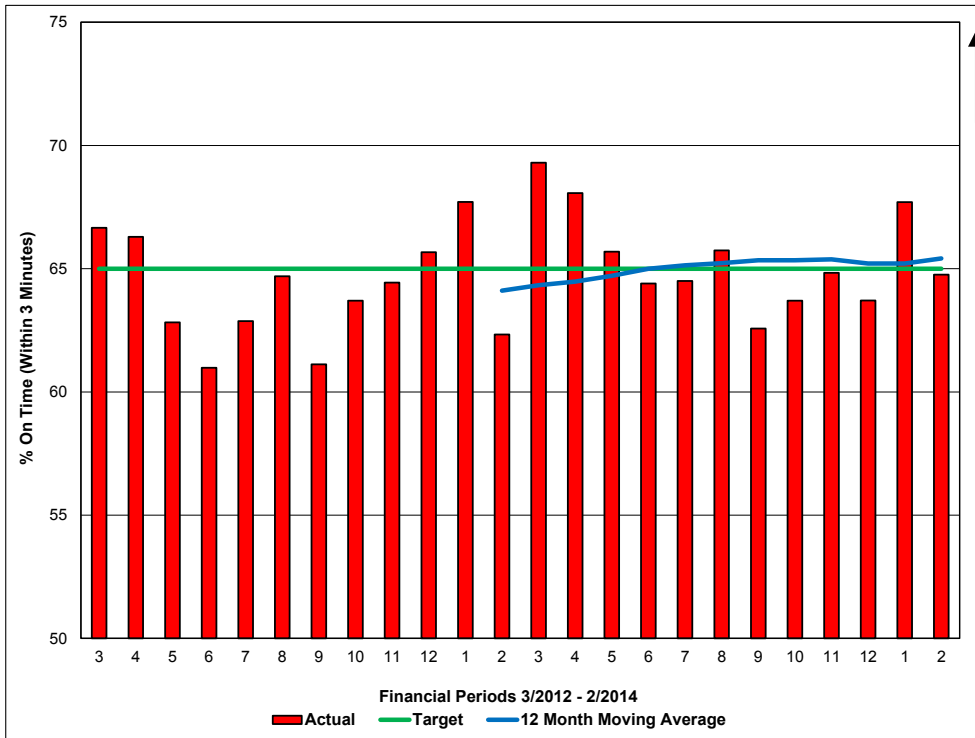
Performance in Period 2 fell well below target for the second consecutive period.

Delay incidents, both TTC and non-TTC related, continued to climb in Period 2. Inclement weather again played a significant role in the ability to deliver consistent headways and had a major impact on SRT equipment.

Maintenance programs are in place to improve reliability in the short and long term and it is anticipated that performance will improve in conjunction with better weather conditions.

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

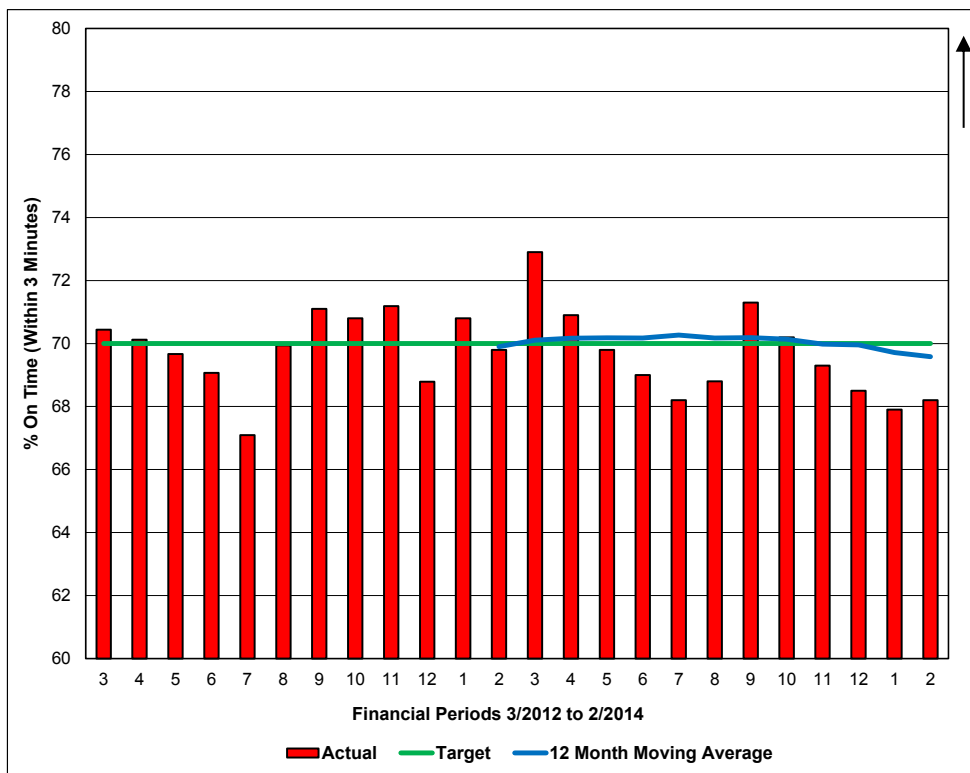
2.5.1 – Bus



Performance decreased in Period 2 and fell marginally below target.

Inclement weather had a major impact on performance. Two major snowfalls and the resultant increased snow accumulation hindered the ability of customers to board and alight easily, which caused longer than usual dwell times. Despite these challenges, performance was just slightly below target and was substantially improved over the corresponding period in 2013.

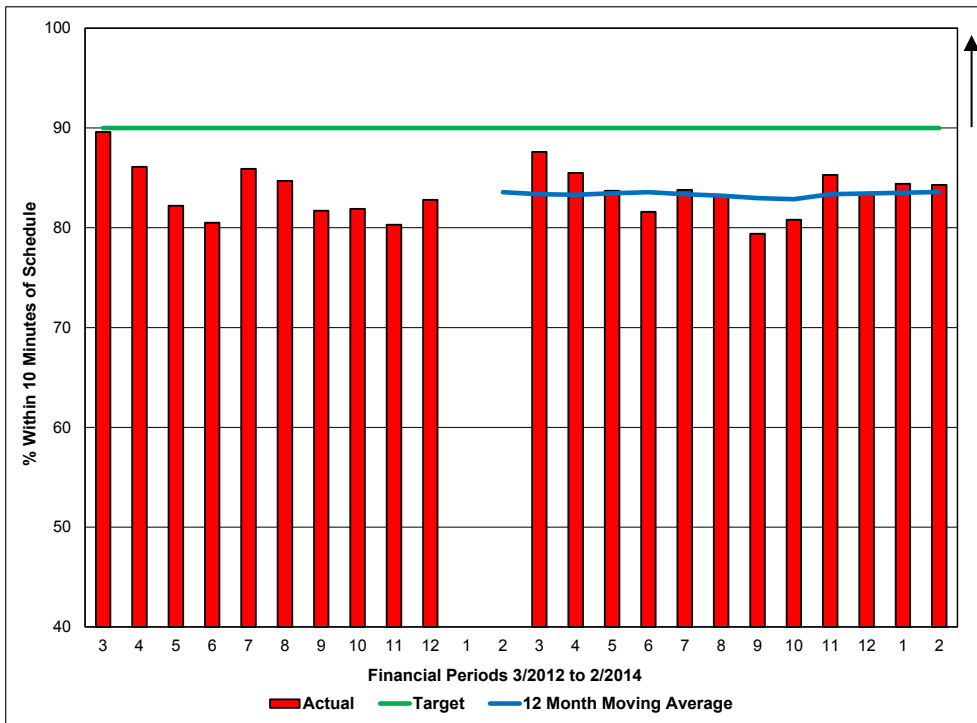
2.5.2 – Streetcar



Performance increased in Period 2 but remained below target for the fourth consecutive period.

Road construction resulted in a decrease in on-time performance levels for the 511 Bathurst route of almost 10% versus the 52 week average. In addition, congestion negatively impacted performance of the 512 St. Clair route. Increased route supervision is being applied to both routes.

2.5.3 – Wheel-Trans

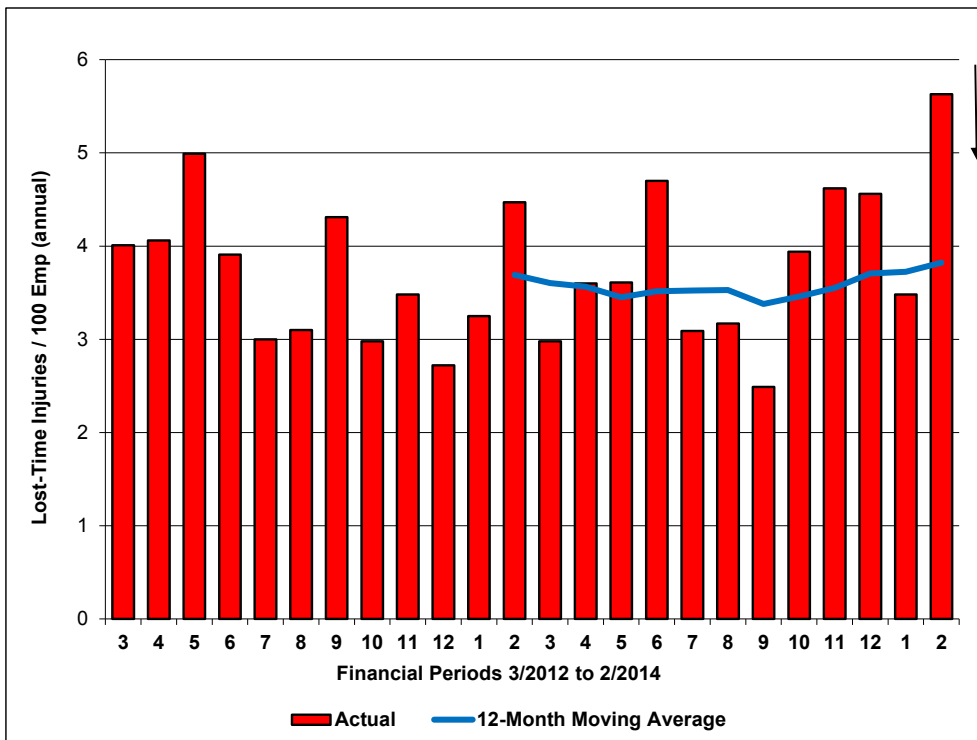


Performance decreased marginally in Period 2 and continued to remain below target.

Performance continued to be negatively impacted by severe winter weather.

2.6 – Safety and Security

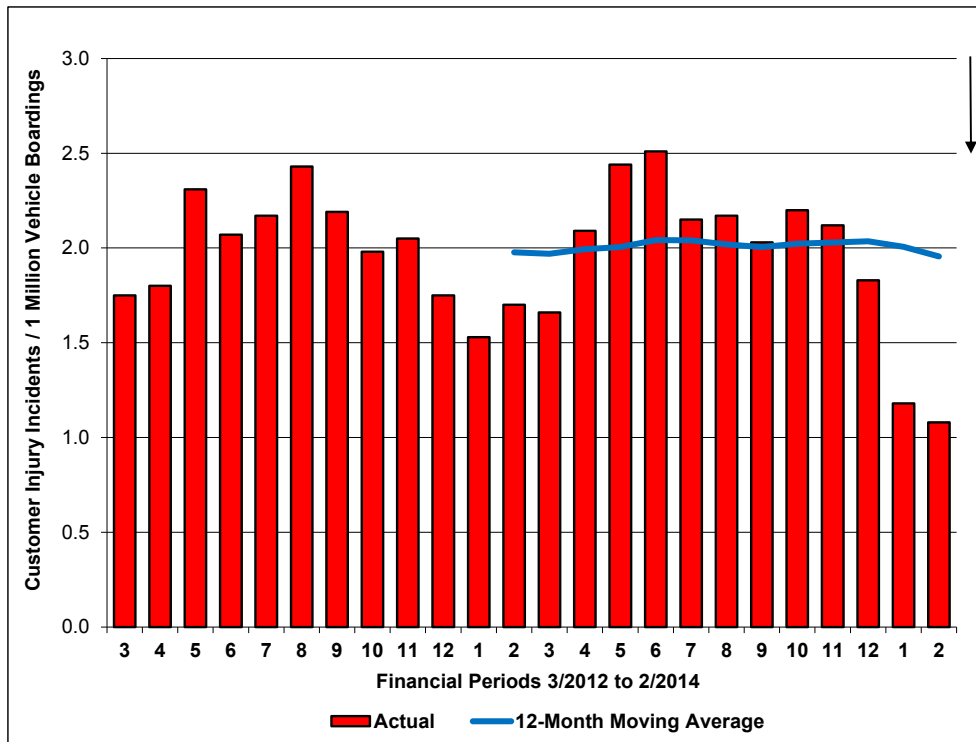
2.6.1 – Lost-Time Injuries (Annual Injuries / 100 Employees)



The annualized lost-time injury rate (LTIR) for Period 2 2014 was 5.63 lost-time injuries per 100 employees, which was 26% higher than the LTIR of 4.47 for Period 2 2013.

The moving annual LTIR to the end of Period 2 2014 was 3.82, which was 4% higher than the corresponding rate of 3.69 to the end of Period 2 2013.

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



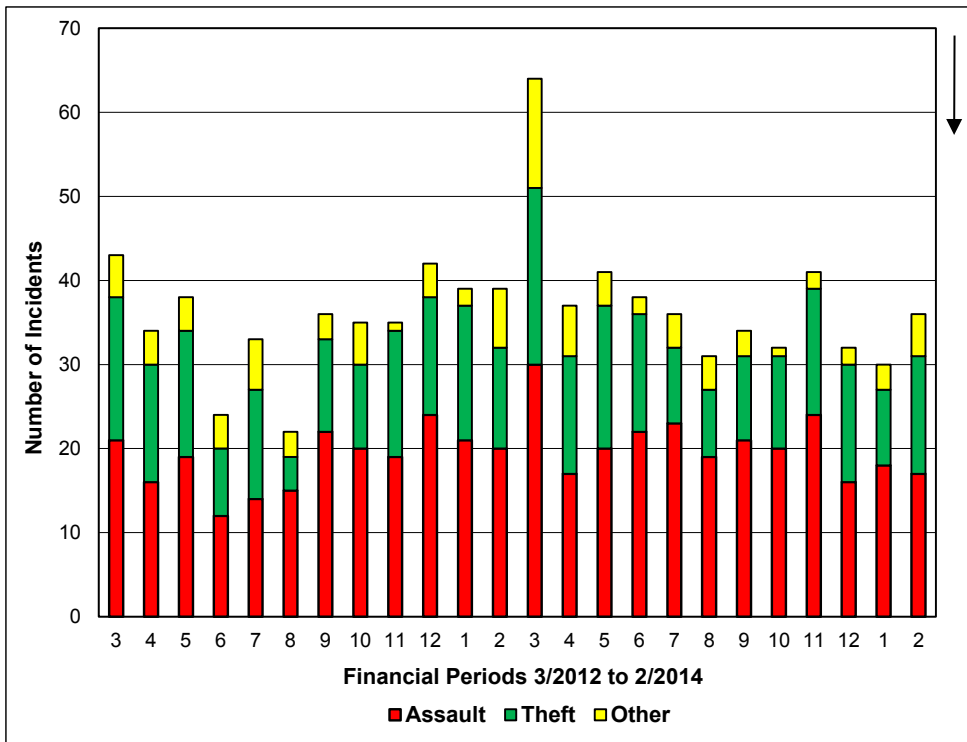
The customer injury incident rate for Period 2 2014 was 1.08 injury incidents per 1 million vehicle boardings, which was 36% lower than the corresponding rate of 1.70 for Period 2 2013.

The moving annual customer injury incident rate to the end of Period 2 2014 was 1.96, which was 1% lower than the corresponding rate of 1.98 to the end of Period 2 2013.

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.

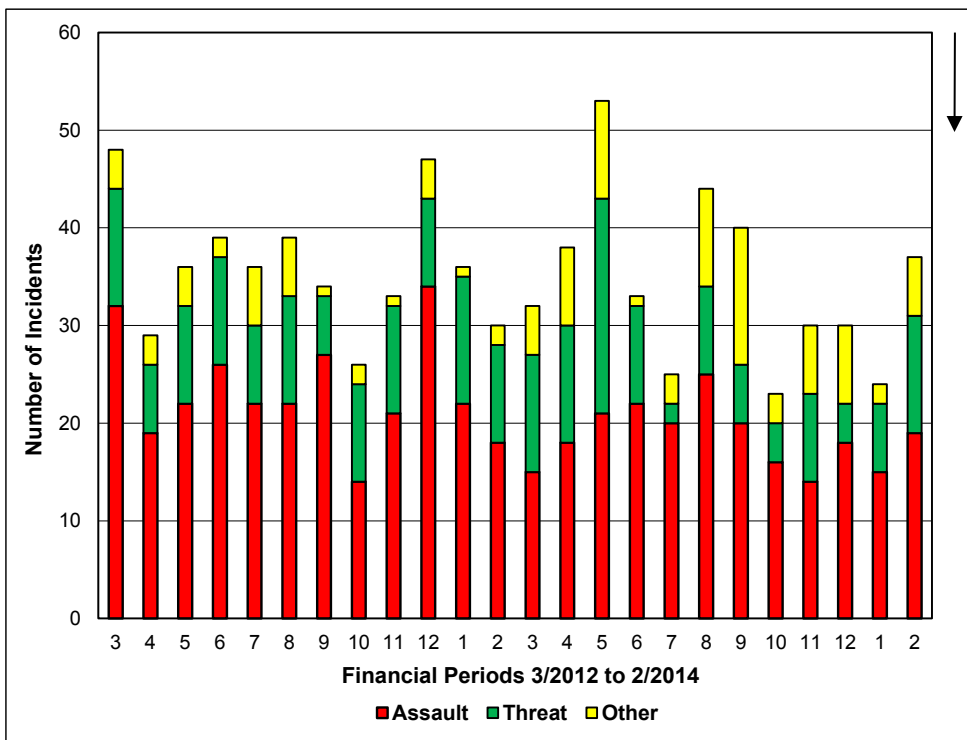
2.6.4 – Offences Against Customers



Total offences against customers increased in Period 2.

Year-to-date to Period 2, there were 12 fewer offences (66 vs. 78) compared with the corresponding period in 2013. This includes six fewer assaults (35 vs. 41), five fewer thefts and robberies (23 vs. 28), and one fewer 'other' offence (8 vs. 9).

2.6.5 – Offences Against Staff

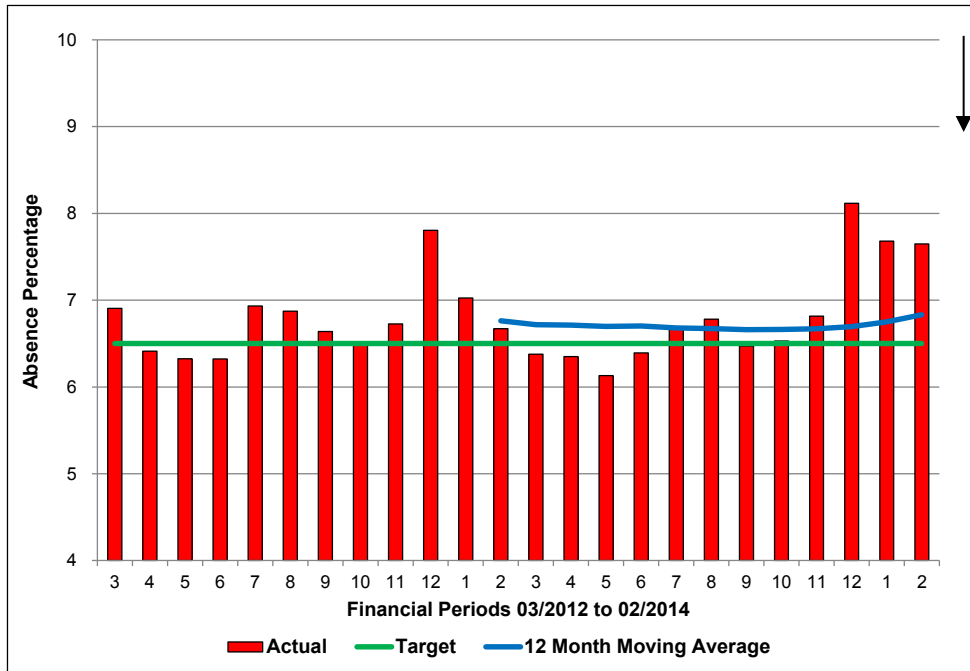


Total offences against staff increased in Period 2.

Year-to-date to Period 2, there were five fewer offences (61 vs. 66) compared with the corresponding period in 2013. This includes six fewer assaults (34 vs. 40), four fewer threats (19 vs. 23), and five more 'other' offences (8 vs. 3).

2.7 – People

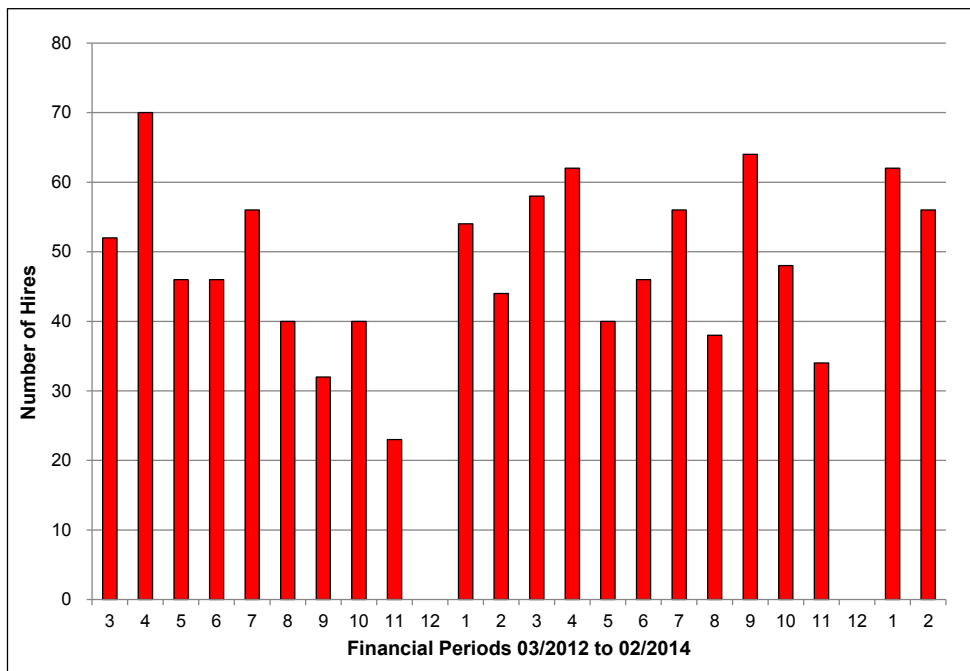
2.7.1 – Attendance



The absence rate in Period 2 decreased marginally to 7.65% but remained above target for the fourth consecutive period.

The favourable long-term absence trend continues to soften. For each of the past five periods, the results have been higher than the prior-year period. Previous to this, period results had been lower than the prior-year period for 20 of 22 periods.

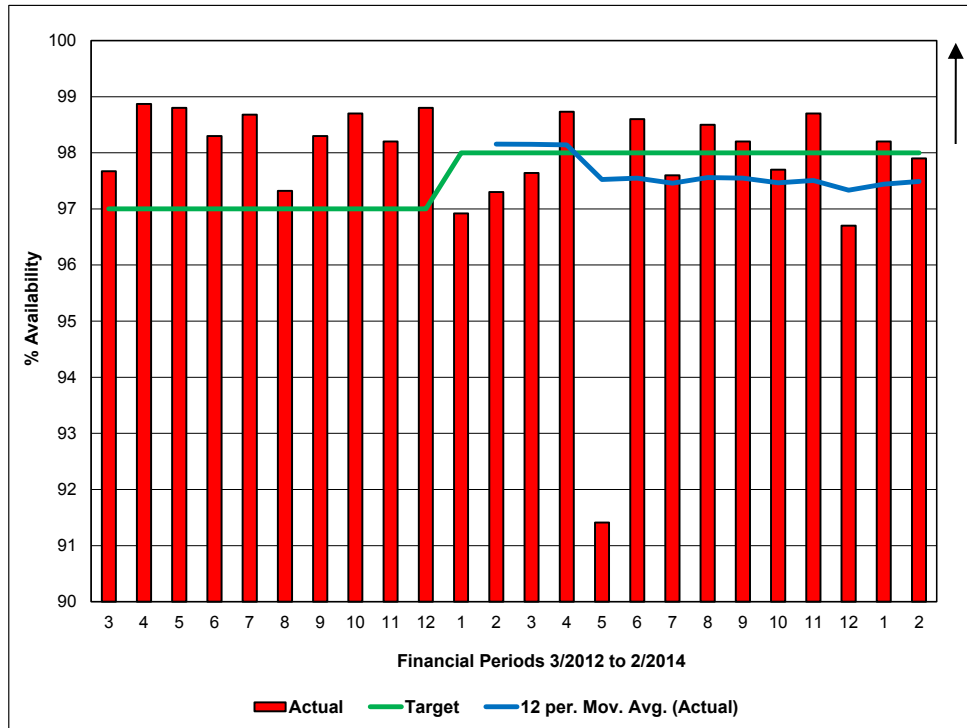
2.7.2 – Operator Hires



In Period 2, 56 Operators were hired and began training.

2.8 – Device Availability

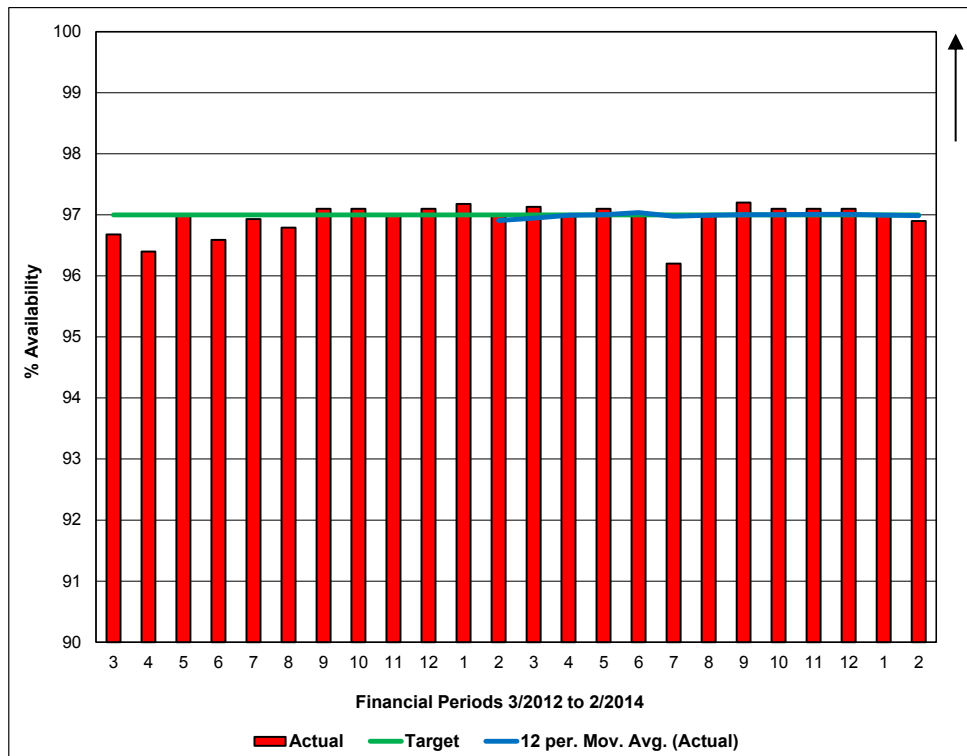
2.8.1 – Elevator Availability



Performance in Period 2 fell below target.

Elevator maintenance was completed as planned and scheduled during Period 2; however, the overhaul project at Main Station continued during this period, which caused overall performance to fall below target.

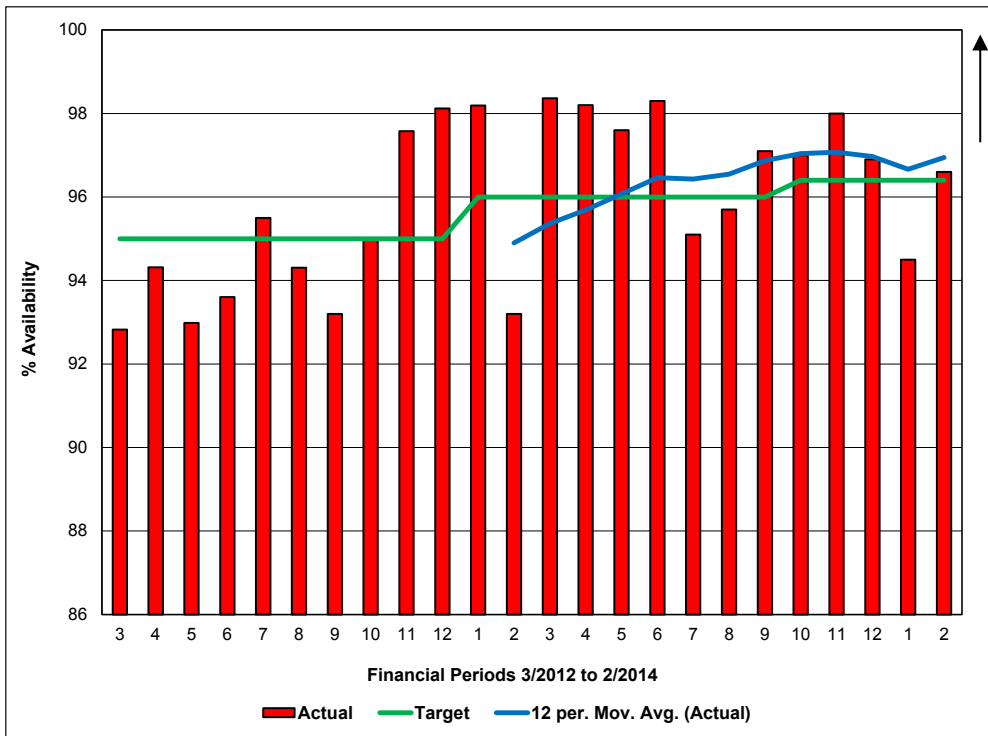
2.8.2 – Escalator Availability



Performance in Period 2 fell marginally below target for the first time in seven periods.

The decrease in performance was due to structural leaks that affected escalators at Lawrence and Queen’s Park Stations. The leaks in both locations were corrected and the escalators were returned to service.

2.8.3 – Fare Purchase Opportunity

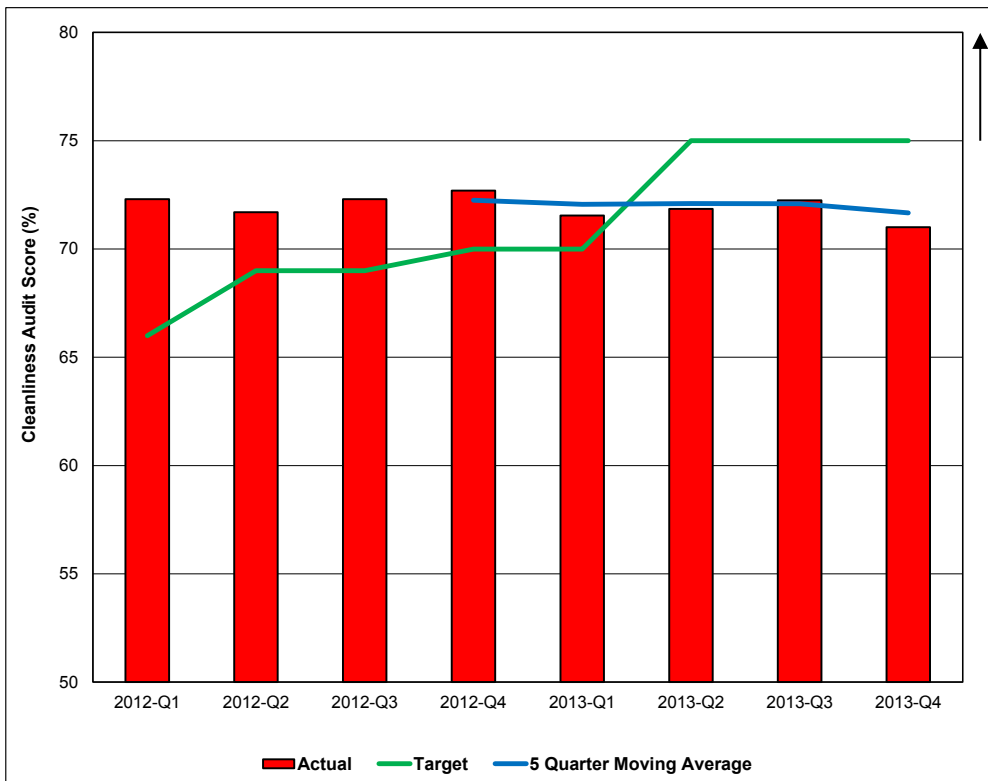


Performance in Period 2 returned to above target.

Better scheduling with more resources has assisted in keeping the PVM & TVM fare purchase opportunities on target despite the ongoing challenge of fraudulent activity involving jamming of devices.

2.9 – Mystery Shopping and Audits

2.9.1 – Station Cleanliness



Performance decreased in Q4 and remained below target.

Severe weather at the time the Q4 audit was conducted in mid-December negatively impacted audit scores.

Station supervision for the janitorial workforce was assumed by the Group Station Managers (GSM) area at the end of November 2013. It is anticipated that subsequent increased supervision by GSM supervisory staff will ensure that higher levels of cleanliness are achieved and sustained.

2.9.2 – Vehicle Cleanliness

The existing cleanliness audit process for vehicles was developed and implemented throughout 2012 and 2013. The audit process is under review to identify improvements in data collection and assessment that will allow a more effective means of identifying root causes and developing action plans to increase vehicle cleanliness. The results of this review are being incorporated into a revised cleanliness audit contract specification. The revised cleanliness audits for buses, streetcars, and subway cars will begin in Q2 2014. A revised performance chart will be provided in this section when the results for Q2 2014 are available.

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.

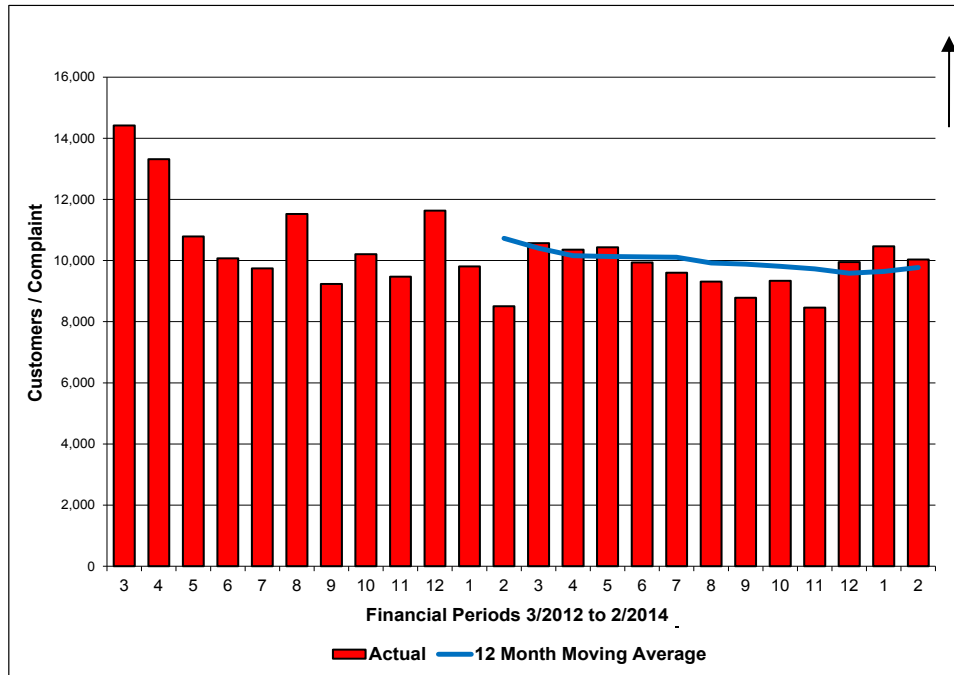
2.9.4 – Staff Helpfulness MSS

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, current major closures, and a progress report on the TTC Customer Charter.

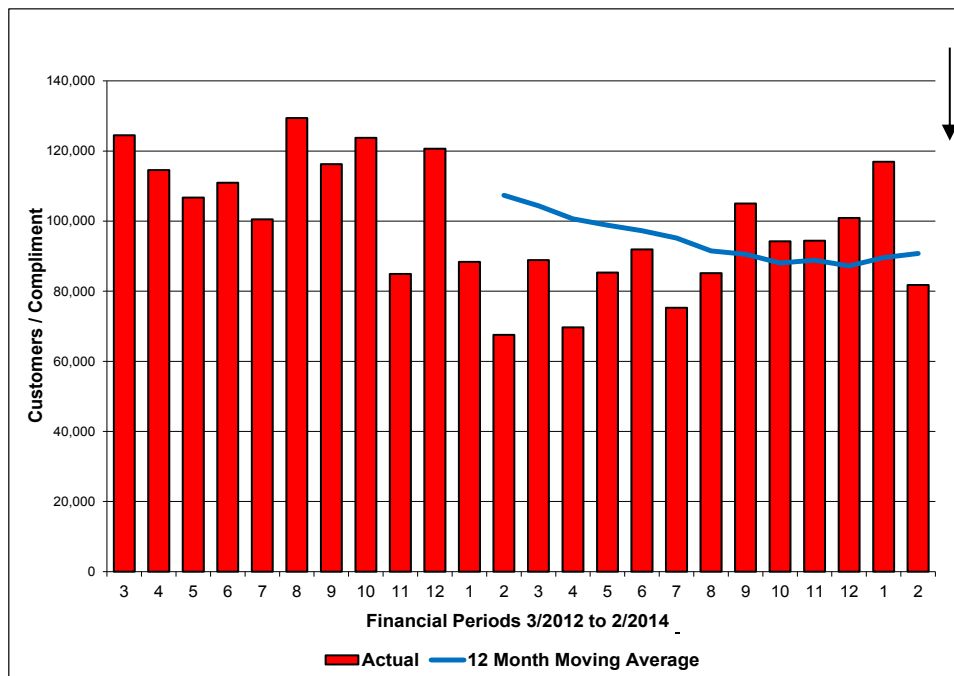
3.1 – Customer Complaints



Customers per complaint in Period 2 were only slightly lower than last period (unfavourable); however, an improvement is still evident over the decline seen in Periods 7 to 11 of 2013.

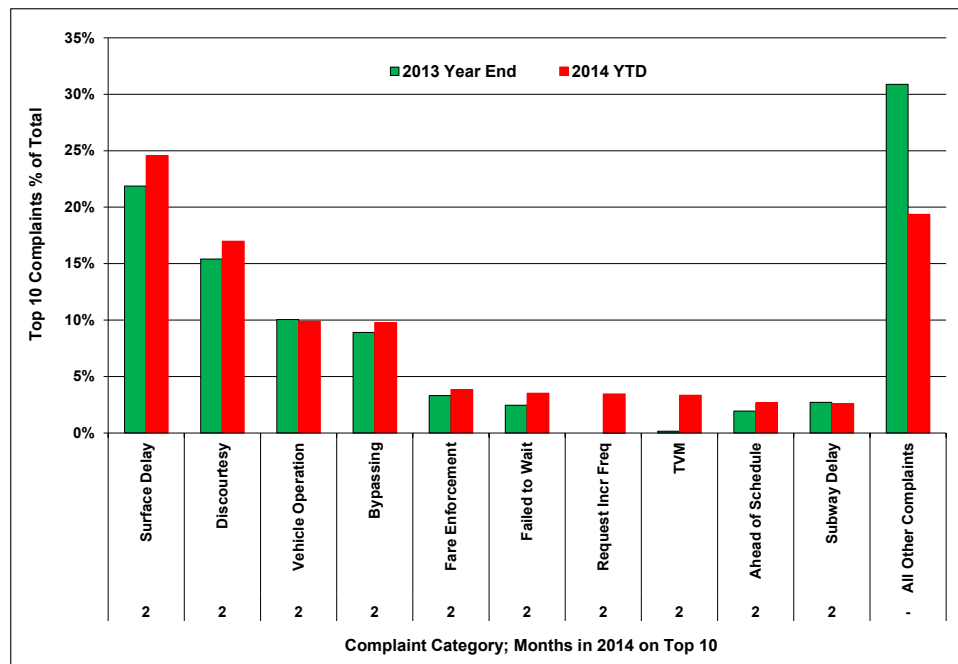
Top 10 complaints were consistent with Period 1, with slight increases in the Surface Delay and Token Vending Machine categories.

3.2 – Customer Compliments



Customers per compliment decreased significantly (favourable) over Period 1. Increases in compliments received via social media channels are contributing to the overall improvement.

3.3 – Top Ten Complaints



Top Ten complaints received by TTC in Period 2 were consistent with Period 1, with the top four categories generating over 50% of all complaints.

Slight increases occurred in the Surface Delay and Discourtesy categories. Token Vending Machine (TVM) complaints accounted for 3% of all complaints. This was primarily due to individuals jamming machines for fraudulent purposes. A number of arrests have been made.

3.4 – Commentary on Customer Satisfaction Improvement

In February, the TTC unveiled its 2014 Customer Charter. It is comprised of 39 time-bound commitments that include improved service reliability, better customer communications and information, modern equipment and vehicles, continued advancements on customer accessibility, and cleaner vehicles and stations. The 2014 Charter and quarterly progress reports are available on the TTC website.

In the first quarter, the TTC achieved 8 of 9 Customer Charter commitments for Q1 2014. The eight initiatives included: post two explainer videos online, make sure all signage at subway collector booths is clear and the same in every station, establish a special task force to seek long-term capital and operating funding, issue all janitors with a professional uniform, schedule monthly escalator inspections during off-peak hours, upgrade speakers in five subway stations, wash and replace bulbs for 25 per cent of platform lighting, and complete a spring cleaning of every station.

Significant progress was made in hiring seven additional staff to handle customer calls for Wheel-Trans service. However, there is still some work necessary to implement this new measure, so this commitment has been identified as “not complete” for the Q1 Customer Charter report. A detailed update of Customer Charter commitments for Q1 2014 is provided in Section 3.6 below.

The TTC continues to conduct Meet the Managers sessions at subway stations. So far this year, sessions have been conducted at the following stations: Union, St. Andrew, St. Clair, Eglinton, Bloor-Yonge, Kipling, and Finch. Feedback has been received from customers on a variety of issues, both positive and negative. These sessions will continue at other stations throughout the remainder of 2014, with the schedule posted on the TTC website.

As of January 1, the new TTC Support Person Assistance Card is now available that permits one support person to travel with a fare-paying customer with a disability on a single fare. Until April 30, the TTC will permit a support person to travel on a single fare with a paying customer on the honour system. Starting May 1, customers will be required to show a Support Person Assistance Card when they are accompanying a fare-paying customer with a disability.

The TTC is holding several photo ID sessions at select subway stations where eligible customers can submit their application and have their photo taken for a Support Person Assistance Card. The full schedule is available on the TTC website. Customers may also submit an application in person at the Sherbourne Photo ID Centre or Davisville Customer Service Centre. Alternatively, customers may submit their application by mail with two passport photos accompanying their application.

3.5 – Current Major Closures

Line 1 (Yonge-University-Spadina) - North Yonge Segment

Throughout 2014 and 2015, subway service north of Eglinton Station will end early at approximately 12:30 a.m., Sunday through Friday, for tunnel structural repair work. Regular service will continue to be maintained from Downsview Station to Eglinton Station.

During the nightly early closures, a replacement bus shuttle service will be available from 12:30 a.m. to 2:30 a.m., servicing the bus terminals at Eglinton, Lawrence, York Mills, Sheppard-Yonge, and Finch Stations.

Yorkdale Commuter Parking Lot

The TTC commuter parking lot located at Yorkdale Shopping Centre is being demolished for redevelopment. As a result, TTC commuter parking at Yorkdale will be unavailable for approximately 18 months beginning in January 2014. The TTC commuter lots at Wilson, Downsview, and Finch Stations are alternatives during construction. The new TTC commuter parking lot at Yorkdale is expected to open in the fall of 2015.

Streetcar and Subway

Mode	Area Affected	Dates	Reason
Streetcar	Queens Quay Union Stn to Yo Yo Ma Lane	Jul 29/12 – Aug 30/14	Waterfront Toronto Queens Quay Reconstruction
Streetcar	Spadina Ave. and Queens Quay including Loop	May 13/13 – Aug 30/14	Platform Upgrades & Track Replacement
Streetcar	King St. and Sumach St. intersection *Full service not restored on 503 Kingston Rd. / 504 King routes until August 2014 for City-related work	Mar 30/14 – May 10/14*	Waterfront Toronto Cherry St. LRT Track Const.
Streetcar	Queen St. and Victoria St. intersection	May 11/14 – May 31/14	Track Rehabilitation
Streetcar	Queen St. and Leslie St. intersection	May 11/14 – Jun 21/14	Leslie Barns Project Install Track; Upgrade Utilities

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

3.6 – TTC Customer Charter Quarterly Progress Report

The TTC Customer Charter Quarterly Progress Report will clearly identify our commitments and accomplishments for each quarter. It will serve to describe how and what we did to meet our objectives in each of our five key areas.

First Financial Quarter – January 1 to April 5, 2014

Key Area	Our First Quarter Commitment in 2014	How We Did
Informative	Post two explainer videos online	✓
Informative	All signage at subway collector booths is clear and the same in every station	✓
Responsive	Establish a special task force to seek long-term capital and operating funding	✓
Responsive	Issue all janitors with a professional uniform	✓
Responsive	Schedule monthly escalator inspections to happen during off-peak hours	✓
Responsive	Hire seven more people to handle customer calls for Wheel-Trans service	✗
Accessible & Modern	Upgrade speakers in five subway stations	✓
Clean	Wash and replace bulbs on 25 per cent of the platform lighting	✓
Clean	Complete a spring cleaning of every station	✓

Informative

To make your travels on the TTC as comfortable as possible, you need the most clear, accurate and up-to-date service information possible.

✓ *Our commitment: post two explainer videos online*

Each quarter, we will post two videos that will keep you, all TTC customers, and the public up-to-date on activities and operations at the TTC.

How we met our commitment:

In Q1, three videos were produced to explain TTC operations, activities and initiatives:

- Behind the Scenes at Bay and Queen Stations
- New Subway Station Signage
- Signal System: Modernizing the TTC

✓ *Our commitment: all signage at subway collector booths is clear and the same in every station*

In the first quarter, we will have made sure all signage at subway collector booths is clear and the same in every station.

How we met our commitment:

- Since May 2013, conducted bi-weekly inter-departmental meetings to develop standards, ensure consistency, and review new signage initiatives.
- In January 2014, implemented sign frame standards to ensure standard location of customer facing booth signage.
- Implemented policy of not affixing signage directly to booth glass
- Implemented policy to eliminate hand written signage
- Provided booths in all 69 stations with standard signage, and a visual representation of sign standards to ensure continued consistency
- Established booth signage as part of daily checks for station supervisors

Responsive

We value the quality and quantity of your time spent with us. We are committed to providing you with an efficient and pleasant travel experience.

✓ *Our commitment: establish a special task force to seek long-term capital and operating funding*

We will establish a special task force made up of the TTC Chair, the TTC CEO, the City Manager, the TTC CFAO and the City CFO to seek long-term capital and operating funding from senior levels of government, to ensure financial stability for the TTC. The task force will report quarterly on their progress throughout 2014.

How we met our commitment:

- The Task Force was approved by City of Toronto Council as part of the 2014 budget approval in January.
- The draft Terms of Reference have been written and presentation materials are being assembled.
- Meetings with Provincial and Federal Officials are being requested.
- Meetings with Provincial and Federal ministers will follow.

✓ *Our commitment: issue all janitors with a professional uniform*

By the first quarter, to reflect a renewed commitment to modernizing the TTC, we will issue all janitors with a professional uniform. By the second quarter, we will commence roll-out of a new uniform to all operators and collectors.

How we met our commitment:

- As of March 31, the TTC has issued all Janitors with uniforms.
- New TTC Janitor Uniforms will be phased in starting March 31, with all TTC Janitors in uniform by April 27.
- Navy blue shirts with the TTC logo and navy blue cargo pants will now identify TTC Janitors.
- In the second quarter, we will begin to roll-out the operator & collector uniforms.

✓ *Our commitment: schedule monthly escalator inspections to happen during off-peak hours*

Starting in the first quarter, all of our monthly escalator inspections will be scheduled to happen during off-peak hours. This will allow escalators to be working when stations are most busy.

How we met our commitment:

- The plan is on target as we are not performing any planned monthly inspections/maintenance during peak passenger hours (7:00am to 10:00am, and 3:00pm to 7:00pm.)

✗ *Our commitment: seven more people on staff to handle customer calls for Wheel-Trans service*

In the first quarter, we will have seven more people on staff to handle customer calls for Wheel-Trans service. We will better handle the customer call volume and reduce the number of missed calls to under 20 per cent.

Why we did not meet our commitment:

- Positions were approved in Early February
- Hiring is on-going and will be completed at the end of April
- Year to date abandonment rate is 32.3% compare to 38.7% for the same period last year
- We will meet the goal of 20% with additional resources

Accessible and Modern

We know much of the time you spend with us is within our stations. Making our stations better able to meet our customers' needs is important to us. We will modernize and make upgrades to our stations to ensure all of our customers are comfortable using them.

✓ *Our commitment: upgrade speakers in five subway stations*

Every quarter, we will upgrade speakers in five subway stations – this will make public address announcements much easier to hear and understand.

How we met our commitment:

- PA system upgrades have been completed in 5 subway stations: Islington, Victoria Park, Greenwood, King, and Queen.
- Osgoode, Jane and Donlands stations are currently on going.
- Scope of work includes: Replace old speakers with new and high quality speaker units. Install new sound compensating system for platform areas to overcome train noise. Recalibrate the PA system and adjust the graphic equalizer for optimum sound quality based on the station acoustics, and set up all speakers to a uniform sound level for automated announcements and record the set up values.

Clean

We understand how important clean vehicles, stations and station facilities are to our customers. And it's something we take seriously. We will ensure all TTC stations and vehicles are clean; improving our appearance to ensure the TTC is a transit system that makes Toronto proud.

✓ *Our commitment: wash and replace bulbs on 25 per cent of the platform lighting*

Each quarter, 25 per cent of the platform lighting will be washed and the bulbs replaced. All stations will be completed by year end, ensuring you are always visiting a well-lit and safe platform. By the end of the year, 70 per cent of all station mezzanines and entrances will also have their lights washed and bulbs replaced.

How we met our commitment:

- The cleaning and bulb replacement of all station platform lighting started at the beginning of 2014.
- We will complete 26 station platforms by end of second quarter.
- By third quarter, we will have completed 75% of all station platforms.
- We are on target to complete 70 per cent of all station mezzanines and entrances by the end of the year.

✓ *Our commitment: complete a spring cleaning of every station*

By the end of the first quarter, we will complete a spring cleaning of every station. Pressure washing of walls, floors and pillars at all bus bays, subway stations, passenger pick-up locations, station entrances and train platforms will take place. Attention will also be given to gum removal, graffiti, station signage, telephones, benches, trash containers, elevators and stairs.

How we met our commitment:

- A spring clean has been completed at every station.

Part 4 – Financial Commentary

This section provides detailed information about the TTC and Wheel-Trans Operating Budgets. Progress on the TTC’s Capital Program and specific information about selected capital projects is also provided.

4.1 – TTC Operating Budget

2014 Year-to-Date Results

To the end of Period 2 (March 1), total revenues were \$3.3 million (1.7%) below budget primarily due to 1.4 million (1.5%) fewer customer journeys than planned and a slightly lower average fare (1.14¢ or 0.6%) that mostly stems from marginally higher (about 3%) monthly pass sales. Over the same time period, expenses were \$4.7 million (1.8%) below budget largely due to the timing of certain non-labour and accident claims expenses.

2014 Year-End Projections

(millions)	Projected	Budget	Variance
2014 TTC Operating Budget			
Customer Journeys (Ridership)	538	540	(2)
Revenue	\$1,161.5	\$1,166.5	(\$5.0)
Expenses	\$1,597.6	\$1,597.6	-
Subsidy Required	\$ 436.1	\$431.1	\$5.0
Subsidy Available	\$431.1	\$431.1	-
Surplus/(Shortfall)	(\$5.0)	-	(\$5.0)

The projected year-end subsidy shortfall of \$5 million primarily reflects the following variance:

Passenger Revenues: \$5 million decrease

The number of customer journeys for the year is expected to be marginally (about 2 million) below target largely due to the severe cold temperatures experienced in January and February. Additionally, as noted throughout 2013, higher than anticipated monthly pass sales continue to cause a slight decline in the average fare. Consequently, at this time it is anticipated that passenger revenues will fall about \$5 million below budget by the end of the year. Staff continues to monitor both ridership and revenue performance and will provide updates in future reports.

4.2 - Wheel-Trans Operating Budget

2014 Year-to-Date Results

To the end of Period 2 (March 1), total revenues were slightly (\$16K or 1.7%) below budget primarily due to 8K (1.7%) fewer customer journeys. Over the same period, expenses were \$0.6 million (3.1%) below budget primarily due to reduced diesel fuel requirements as fewer than anticipated bus trips were provided, and workforce gapping savings.

2014 Year-End Projections

(millions)	Projected	Budget	Variance
2014 Wheel-Trans Operating Budget			
Customer Journeys (Ridership)	3.066	3.066	-
Revenue	\$5.7	\$5.7	-
Expenses	\$112.1	\$112.1	-
Subsidy Required	\$106.4	\$106.4	-
Subsidy Available	\$106.4	\$106.4	-
Surplus/(Shortfall)	-	-	-

There is no projected year-end subsidy variance.

4.3 - Capital Program

2014 Year-to-Date Results

Capital expenditures to Period 2 typically reflect lower project activity as early efforts are focussed on setting up schedules and tendering work. Other current period activity includes settlement of 2013 accrued contract payments and continued progress on vehicle and construction contracts already in place.

2014 Year-End Projections

(millions)	Projected	Budget	Variance
2014 Capital Program Budget			
Base Program	\$1,198.0	\$1,084.0	\$114.0*
Toronto-York Spadina Subway Extension (TYSSE)	\$435.8	\$527.6	(\$91.8)
Scarborough Subway Extension (SSE)	\$14.5	\$14.5	-

*Excludes additional carry forward spending on the Base Program (\$197.7 million)

Base Program Expenditures: \$114.0 million over

The current projected spending on the Base Program is estimated at \$1,198 million, which is within the 2014 approved budget of \$1,282 million (including carry forward of \$197.7 million). There is typically significant variability in the early estimates of various programs which, if continued, will result in staff requesting budget re-allocation from programs with under-spending to those with higher needs.

Purchase of Subway Cars: \$69.5 million over

Mainly due to slower train delivery schedule which resulted in \$51M slipping from 2013 to 2014 and future years for project milestones and other related costs.

TYSSE Program Expenditures: \$91.8 million under

The project schedule has been negatively impacted by less than expected contractor performance among other issues as noted in previous CEO Reports. Schedule concerns remain a factor on all major facilities contracts. Staff is continuing their efforts to minimize the impacts of potential schedule delays and 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.

To date, fifty-one trainsets have been accepted into revenue service. This marks the acceptance of the 12th trainset for the 21 H-6 replacement trainset option after the acceptance of trainset 39 from the base order on August 6, 2013.

The established delivery schedule calls for commissioning of two trainsets per month. Due to technical issues in manufacturing and unsatisfactory service (albeit improving), reliability of the new trains, a delivery gap exists which resulted in the 2013 year-end quantity target as unachieved. A revised delivery schedule is being established and will be implemented upon mutual agreement.

Retrofit work for trains that missed the ATO-readiness cut-in date in the Thunder Bay production line is progressing well. The retrofit work on all TR trains will be completed in early 2014 and all TR trains on property will be ATO-ready.

A reliability improvement plan comprising 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 comprises 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.

At the January 2014 City Budget Meeting, an additional ten (10) trainsets were approved. Contract has been subsequently awarded, implementation of the procurement, including improvements and lessons learned from the active contract, are underway.

5.2 Streetcar Program and Maintenance & Storage Facility

Streetcar Procurement and Implementation

The final design phase of the low floor streetcar procurement project is largely complete. The three test vehicles (4400, 4401, 4402) have undergone extensive testing in Thunder Bay, throughout the Toronto streetcar network, as well as at the National Research Council in Ottawa for comprehensive hot/cold environment testing. The year-long series of tests have allowed engineering teams to collect necessary technical data, understand real-world performance of these custom-designed vehicles, confirm functionality of systems and components

and make improvements, develop specialized operational procedures, and prepare for safe, reliable, and efficient service of the new accessible fleet.

In addition to testing all systems and features onboard the streetcars, there have also been comprehensive human factor assessments including evaluation by members of the ACAT Design Review Subcommittee. The demonstrations have been a culmination of years of consultation with the committee and the public. Further input was collected during an evaluation session for continued dialogue with ACAT and engineering design changes were initiated to further improve the transition between the accessibility ramp and the vehicle floor through the door threshold allowing people with mobility devices to use the new streetcars with greater ease.

Based on the test results, operational experience and defined design improvements, a production vehicle configuration has been established and production manufacturing of the vehicles is commencing. Vehicle deliveries to Toronto and associated commissioning activities for the new streetcars will commence in Q2 this year. Program efforts are underway to ensure a smooth launch and transition to the new fleet for our customers and internal staff.

Revenue service of the new streetcars is scheduled to begin on August 31, 2014 on the 510 Spadina route. Deployment will then carry on incrementally to the other streetcar routes in the following order: 511 Bathurst, 509 Harbourfront, 505 Dundas, 501 Queen & 508 Lakeshore, 504 King, 512 St Clair, 502 Downtowner, 503 Kingston Rd, and 506 Carlton as more new streetcars are delivered and as the planned network upgrades are completed. Completion of the 204 vehicle order from Bombardier and the eventual conversion of the whole streetcar fleet will be in 2019.

Leslie Barns Streetcar Maintenance & Storage Facility

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. The contract was initially expected to be completed in June 2014; however, construction delays have resulted in expected completion 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 and the connection track will be ready for use early 2015.

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

The Notice of Approval Conditions (NOAC) requires decorative hydro transmission poles and compatible decorative street light poles that integrate with the streetscape design. The design details are being finalized with the City of Toronto and Toronto Hydro.

The Construction Liaison Group (CLG), comprised of local businesses and residents, school representatives and local councillors meets on a monthly basis to address construction issues for residents and businesses. Safety walks to identify specific concerns to cyclists and pedestrians are planned after every new construction stage and as required.

The Leslie Twitter page and project website are being used on a regular basis to provide construction updates and to promote local business. Additional initiatives to help promote the Leslieville BIA include advertising of events on the Leslie Barns website, promotional signage and incorporating the BIA benches into the streetscape design on Queen Street. The next project newsletter is scheduled for release in late April 2014. 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 and concourse was structurally completed in March 2014 and internal finishing has commenced. Monthly stakeholder meetings are held to keep adjacent businesses informed. The project is on schedule for completion in early 2015.

Dufferin Station

The second exits on Russett Avenue were opened to the public on August 28, 2013. The newly enlarged west entrance was opened to the public on December 23, 2013. The project is expected to be completed by summer 2014.

Pape Station

Elevators to make the station accessible were put into service October 31, 2013. The second exit opened to the public December 24, 2013.

5.4 Easier Access

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 on-going with completion slated for 2014. The Woodbine Station contract for elevators and the second exit has been awarded and work has commenced on site. The St. Clair West contract is tendered with work commencing by early 2014. The contract for Ossington Station is expected to be tendered in early 2014. The design for Coxwell Station is nearing completion and the work is expected to be tendered by early 2014. 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. At this time the in-service date remains the fall of 2016 although the project is facing a serious schedule challenge.

Work to complete concreting within the tunnels is continuing. Track work started in June 2013 and is advancing well.

The work on the six stations is advancing at different paces with two of the stations, York University and Sheppard West (Downsview Park) currently not maintaining schedule and a third, Steeles West (Pioneer Village) in particular becoming a critical concern as it is now posing the most serious schedule challenge to the project. Efforts to have the first two contractors improve schedule performance continue. The performance of the Steeles West contractor is now critical.

Design of the various systems components is complete or well underway. Delivery of some Systems equipment to site has started.

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 and will consist of two major phases: Wave 1 and Wave 2.

A schedule for the Wave 1 release of PRESTO has been developed. The Wave 1 scope includes fare payment functionality on-board the first 50 new streetcars and off-board at select streetcar transit stops for the 510 Spadina, 511 Bathurst, 505 Dundas, and 509 Harbourfront routes. The Wave 1 release will also replace the current PRESTO equipment at 14 stations currently equipped with PRESTO fare payment equipment while adding PRESTO equipment to 11 additional subway stations.

TTC staff is working with Metrolinx to confirm the system design details, operational impacts and implementation plan for the back-office software and PRESTO equipment that will be rolled out for Wave 1. The equipment being installed is primarily based on the hardware deployed at other PRESTO enabled transit agencies. However, the machines for accepting coins and tokens on and off-board streetcars and for adding value to the PRESTO card within subway stations are new devices and their development is driving the implementation timeline for the Wave 1 release.

The timeline required to design, develop, manufacture, test and install the equipment and software required for Wave 1 results in PRESTO devices being available for the new streetcars as of November 3, 2014. Since the new streetcars will be introduced into service on the 510 Spadina route starting on August 31, 2014, the TTC is developing an interim solution for fare payment equipment that will accept tokens and cash, and issue POP receipts/transfers to customers. During this period, the new PRESTO devices will be tested on new streetcars that are not in revenue service in preparation for revenue service in November. Ticket validator machines for child and student/senior tickets will be available on the new streetcars on August 31.

Discussions between Metrolinx and TTC continue towards developing an overall schedule for Wave 2 and the full implementation of PRESTO at the TTC.

Field studies to determine whether sufficient power is available at TTC subway stations to support PRESTO equipment are now completed. The design of the required electrical upgrades at subway stations has been

completed for 17 subway stations and the electrical construction work to upgrade the power configuration has commenced. In addition, Museum Station was selected as the initial test station to validate the timelines and process for installing the PRESTO power and communications infrastructure. This work is now complete for Museum Station.