

TORONTO TRANSIT COMMISSION REPORT NO.

MEETING DATE: June 24, 2014

SUBJECT: Chief Executive Officer's Report – June 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.

June 11, 2014

42-81

Attachment: Chief Executive Officer's Report



TORONTO TRANSIT COMMISSION

CHIEF EXECUTIVE OFFICER'S REPORT

JUNE 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	Q1	71%	TBD			2.2
Customer Journeys		Customer Trips	Period	P4	40.740M	41.450M			2.3
Punctuality – Subway and Scarborough Rapid Transit (SRT)									
Line 1 (Yonge-Univ-Spadina)	Headway + 3 minutes	Period	P4	93.8%	96.0%			2.4.1	
Line 2 (Bloor-Danforth)	Headway + 3 minutes	Period	P4	96.0%	97.0%			2.4.1	
Line 4 (Sheppard)	Headway + 3 minutes	Period	P4	98.9%	98.0%			2.4.1	
Line 3 (SRT)	Headway + 3 minutes	Period	P4	94.3%	96.0%			2.4.2	
Punctuality – Bus, Streetcar, and Wheel-Trans									
Bus	Headway +/- 3 minutes	Period	P4	69.5%	65.0%			2.5.1	
Streetcar	Headway +/- 3 minutes	Period	P4	68.0%	70.0%			2.5.2	
Wheel-Trans	Within 10 minutes of schedule	Period	P4	83.8%	90.0%			2.5.3	
Safety and Security									
Lost Time Injuries	Injuries / 100 Employees	Period	P4	3.85	TBD			2.6.1	
Customer Injuries	Injury incidents / 1M Vehicle Boardings	Period	P4	1.68	NA			2.6.2	
Behavioural Safety Index	Safety Focused Behaviour	Period	TBD					2.6.3	
Offences against Customers	Assault, theft, other	Period	P4	38	NA			2.6.4	
Offences against Staff	Assault, threat, other	Period	P4	42	NA			2.6.5	
People									
Attendance	Employee Absence	Period	P4	6.74%	< 6.50%			2.7.1	
Operator Hires	Actual vs. Budget	Period	P4	48	48			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	P4	99.1%	98.0%			2.8.1	
Escalators	% Escalators Available	Period	P4	97.0%	97.0%			2.8.2	
Fare Purchase Opportunity	% TVM's / PVM's Available	Period	P4	96.1%	96.4%			2.8.3	
Mystery Shopping and Audits									
Station Cleanliness	Cleanliness Audit Score	Quarter	Q1	71.0%	75.0%				
Vehicle Cleanliness	Cleanliness Audit Score	Quarter	TBD						
Information MSS	Customer Announcements Score	Quarter	TBD						
Staff Helpfulness MSS	Welcoming Staff Score	Quarter	TBD						
Financials									
TTC Revenue	Actual vs. Budget	Period	P1-4	\$389.5M	\$396.0M				
TTC Operating Expenditure	Actual vs. Budget	Period	P1-4	\$523.8M	\$529.4M				
Wheel-Trans Revenue	Actual vs. Budget	Period	P1-4	\$1.8M	\$1.9M				
W-T Operating Expenditure	Actual vs. Budget	Period	P1-4	\$36.5M	\$37.7M				
Capital Expenditure – Base	Actual vs. Budget	Period	P1-4	\$219.7M	\$363.0M			4.3	
Capital Expenditure – TYSSE	Actual vs. Budget	Period	P1-3	\$52.3M	\$194.9M			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

Modernizing and expanding the TTC’s network has been a key priority for me since I took the helm of the TTC. Our modernization program has taken a big step forward with the recent delivery of the first production – or revenue – vehicle of our new streetcar fleet. The new streetcar is one of our five "mega projects". For the past 18 months, the TTC has been testing the new streetcar using two prototype vehicles over every inch of track on the TTC streetcar network. An exhaustive test program has enabled us to fine tune the design and inform the manufacturer (Bombardier) of changes we require so that the revenue service vehicles work reliably from day one. Operator training is underway and we are working on a comprehensive communications plan to ensure that customers are familiar with the exciting new features of the car. At the same time, sidewalk curbs are being altered across the city on routes serviced by streetcars to ensure customers can safely access the vehicle and ramp for accessibility purposes.

TTC Board Members, City Councillors, and media were invited on a special preview run from our Hillcrest facility down to Bathurst Station and back. It was good to be able to showcase the modern features of the vehicle, including its accessibility, air conditioning, all-door boarding, and substantially greater passenger capacity than that offered by our current streetcars. Feedback and media coverage was highly positive. As full roll-out of the 204-strong fleet occurs, I am confident that customers will quickly appreciate the greater capacity and modern comforts that this state-of-the-art vehicle will bring as the TTC continues on its journey of a transit system that makes Toronto proud.

Customer journeys (ridership) and passenger revenues were below target, a trend that makes the year end projection of 540 million rides increasingly unlikely.

Subway punctuality on Line 1 (Yonge-University-Spadina), Line 2 (Bloor-Danforth), and Line 3 (SRT) remained below target. Punctuality continued above target on Line 4 (Sheppard). A new Deputy Chief Operating Officer has been brought in from London Underground to focus exclusively on subway performance. While the period in question does not yet reflect this, given time, the new Operations management team will deliver sustained improvement in subway performance. This will be achieved through relentless management of the minutiae of running a subway, including detailed analysis of delay and execution of plans to improve. I expect to see a jump in subway performance from period 5 onwards as these work streams take effect.

Bus punctuality remained above target. Streetcar punctuality and Wheel-Trans punctuality continued to be below target; both being hit by extensive construction work across the city. A new Chief Service Officer has been appointed with a specific mandate to drive up performance and service quality of our surface transit.

Employee absence showed improvement but remained well above target. The previously favourable long-term trend of period results being consistently lower than the comparable prior-year period continues to worsen and this is receiving management attention. I have given my management team explicit direction that staff attendance must be improved.

Elevator availability and escalator availability increased to be above target. TVM/PVM availability improved but remained below target.

On the financial side, year-to-date revenues were below budget, primarily due to 3 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 expenses. Capital expenditures were below budget due to typically lower project activity early in the year.

2.2 – Customer Satisfaction Survey

The overall customer satisfaction score in Q1 2014 (71%) was consistent with results observed in the previous quarter and a year ago. Perceptions of streetcar service improved significantly and currently overall satisfaction is comparable across the different modes of transportation.

Positive trends were evident in the following aspects of customer service (Q1 2013 vs. Q1 2014): cleanliness/lack of litter inside the subway train, ease of buying tokens/tickets, and station staff available for help.

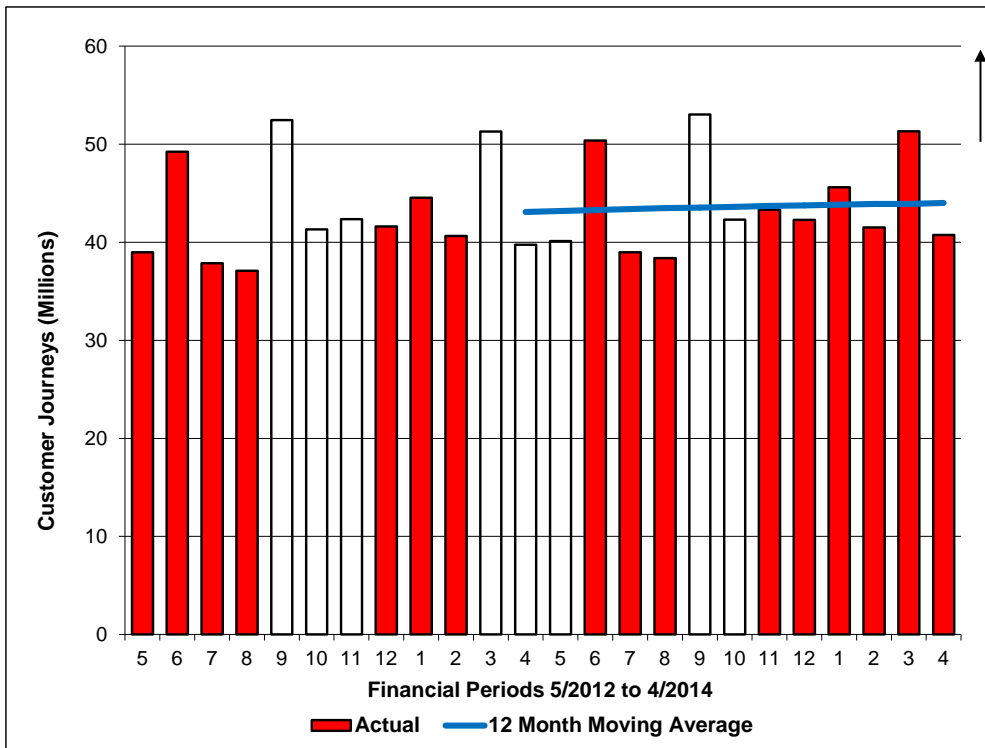
Although there were no significant declines for any of the subway, bus, or streetcar service attributes on an annual basis (Q1 2013 vs. Q1 2014), customer ratings of cleanliness of the subway station and wait times for subway trains have softened compared to Q4 2013.

Customer perceptions of value for money continue to show a positive trend, with 91% of respondents providing a score of “average”, “good” or “excellent”.

Pride in the TTC and what it means to Toronto has declined since Q4 2013 (down 5 points). Pass holders who are frequent users felt less proud of the TTC than other customers. This is likely a reflection of service disruptions on the subway and the impact of construction on our surface network.

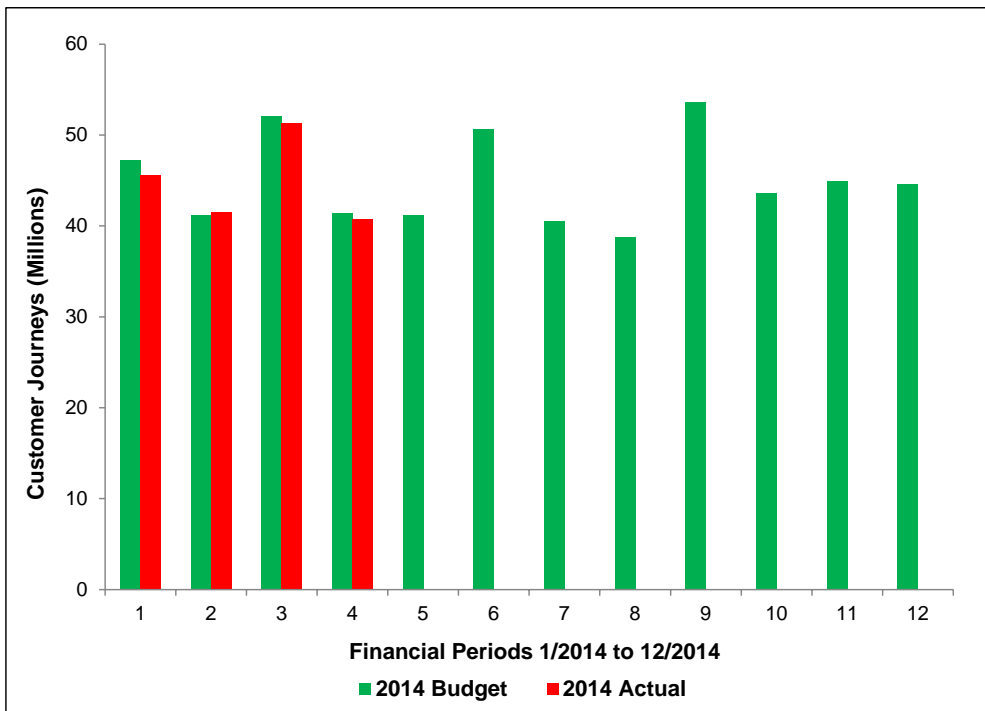
It will take time, funding and sustained effort to restore people’s faith in the TTC, but I am convinced that we are laying the right foundations for this to happen.

2.3 – Customer Journeys



There were 40.740M customer journeys (ridership) taken during Period 4 2014, which was 0.980M (+2.5%) more than the 39.760M journeys taken during Period 4 2013.

The annual number of customer journeys to the end of Period 4 2014 was 528.061M, which was 10.893M (+2.1%) more than the 517.168M annual journeys taken to the end of Period 4 2013.



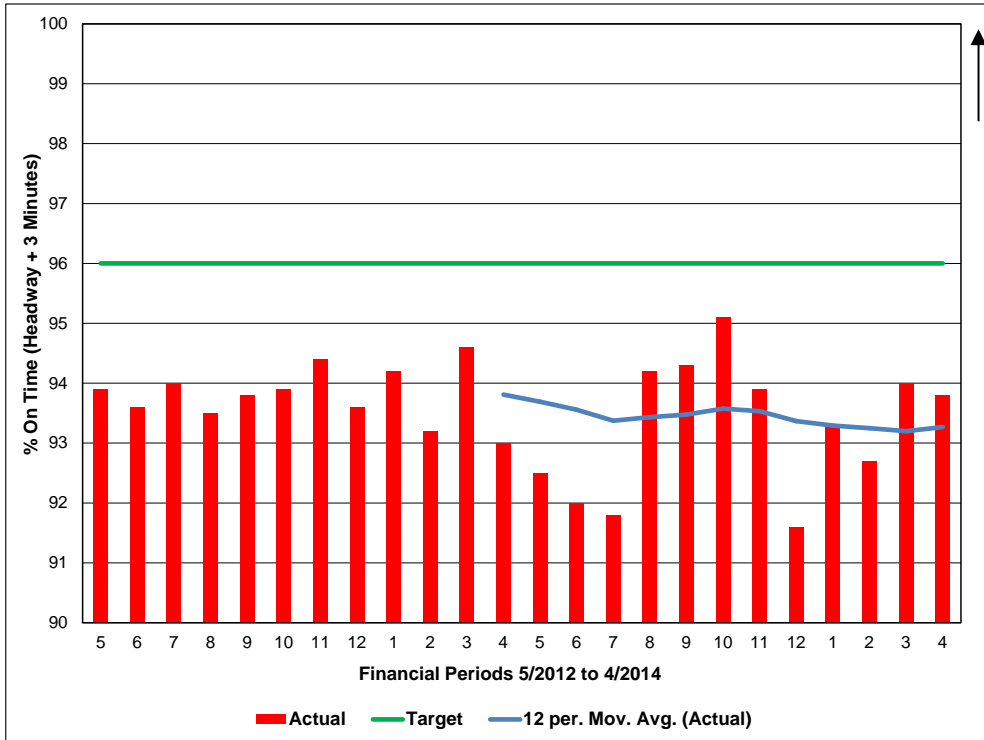
There were 40.740M customer journeys taken during Period 4 2014, which was 0.710M (-1.7%) less than the budget of 41.450M journeys.

The number of customer journeys taken year-to-date to the end of Period 4 2014 was 179.199M, which was 2.810M (-1.5%) less than the budget of 182.009M journeys.

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

2.4.1 – Subway

Line 1 (Yonge-University-Spadina)

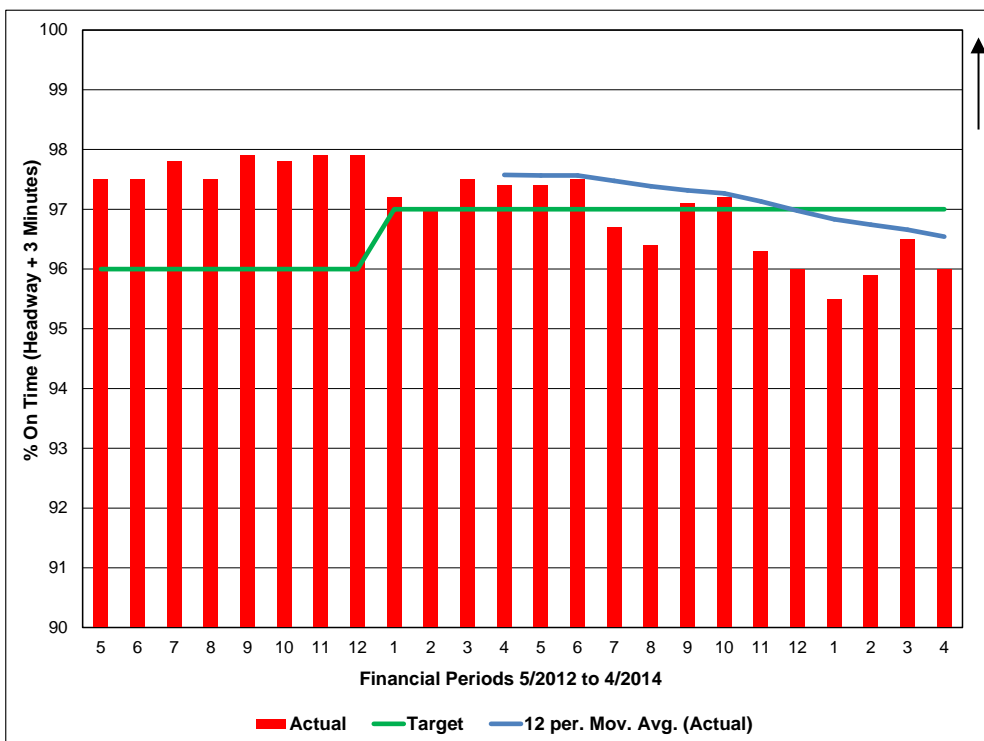


Performance decreased in Period 4 and remained well below target.

Service reliability is continuing to be challenged by delays below the 5 minute and 3 minute thresholds.

Continued improvements in the reliability of the Speed Control System should lead to improvement in this measure. In addition, reviews are being undertaken to identify opportunities for scheduling improvements.

Line 2 (Bloor-Danforth)

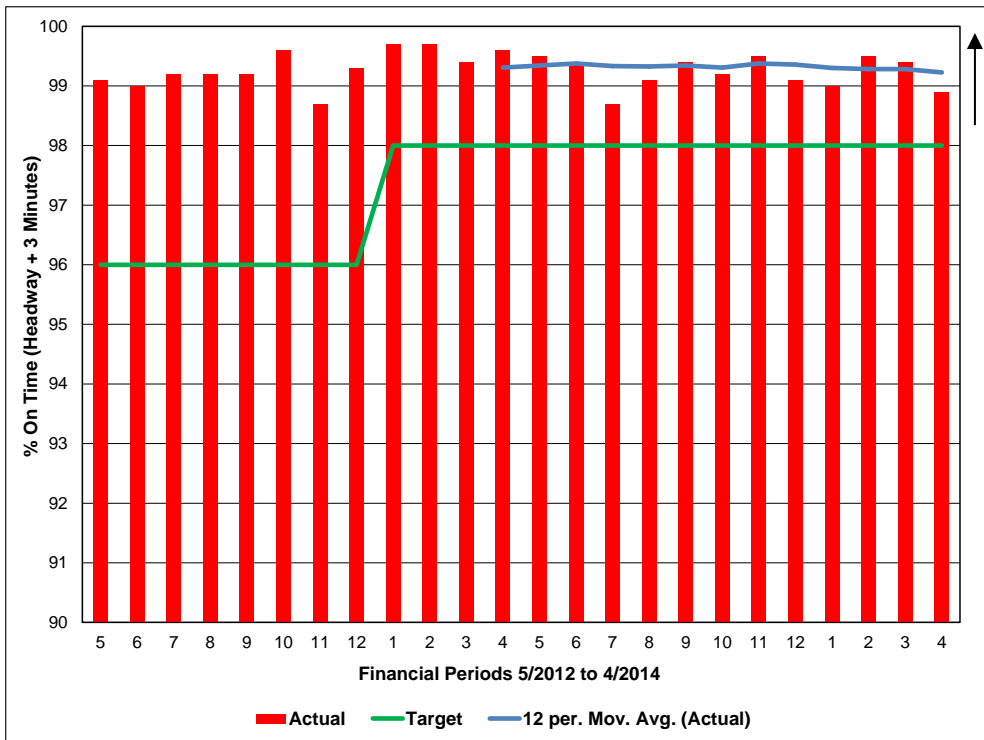


Performance decreased in Period 4 and remained below target for the sixth consecutive period.

For delay incidents below the 3 minute threshold, there has been some improvement related to Speed Control, however, these incidents continue to trend high and are a factor in service reliability.

As with Line 1, reviews are being undertaken to identify opportunities for scheduling improvements.

Line 4 (Sheppard)

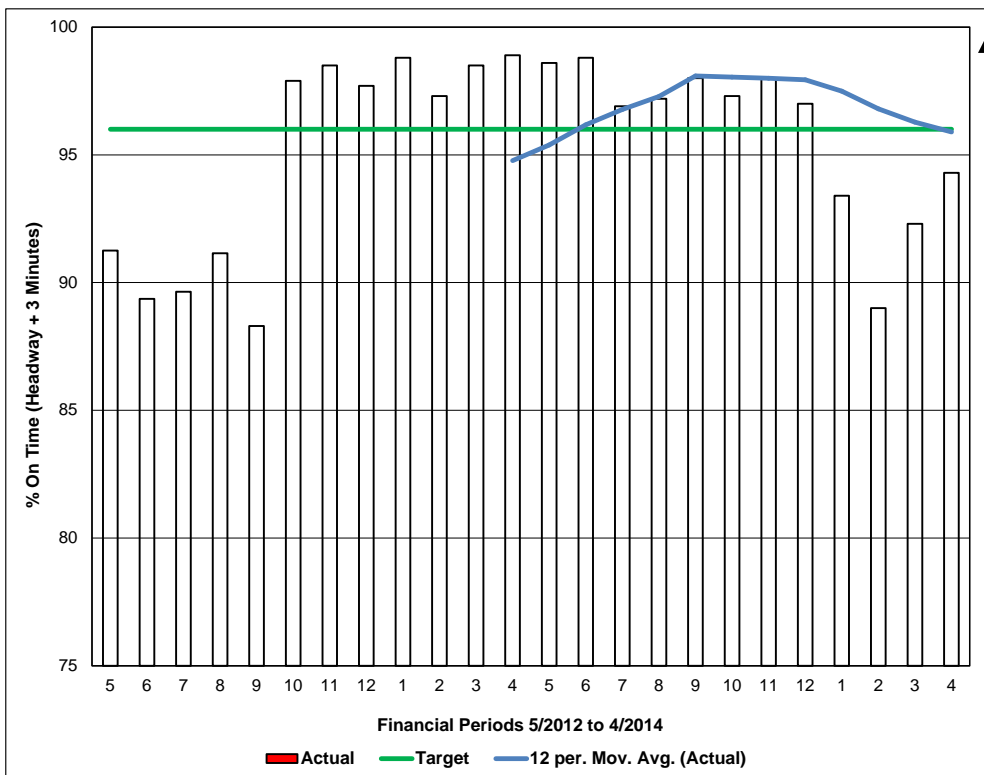


Performance decreased in Period 4 but remained well above target.

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)

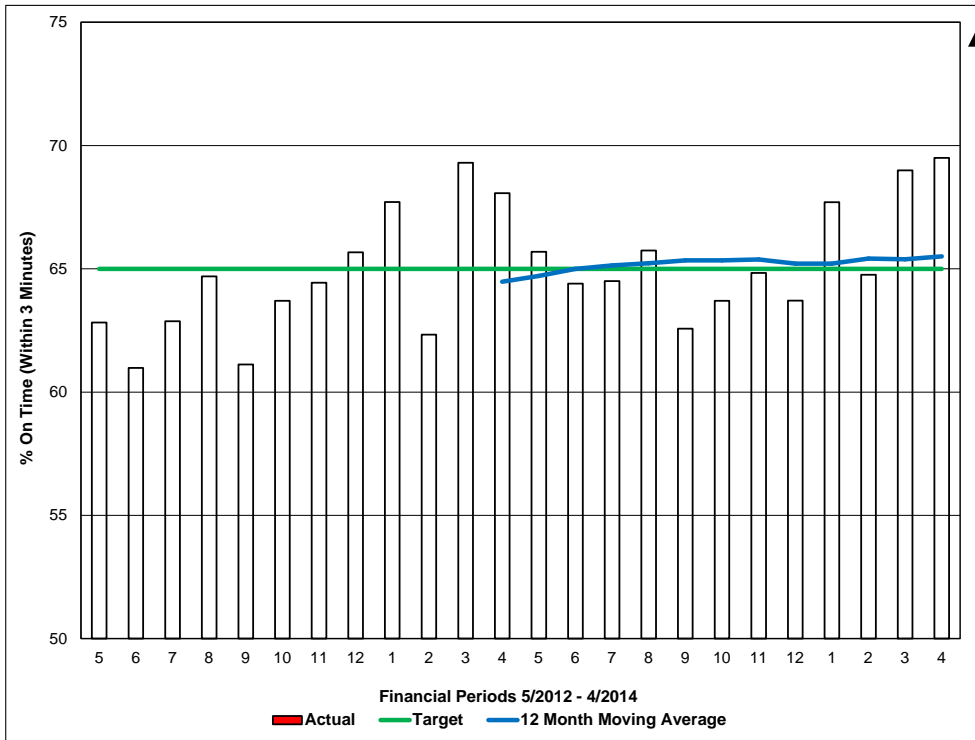


Performance increased in Period 4 but remained below target for the fourth consecutive period.

With fleet reliability returning to pre-winter levels, and restrictions on maximum speed and braking profile set to be relaxed as a result, this measure is anticipated to be back above target in Period 5.

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

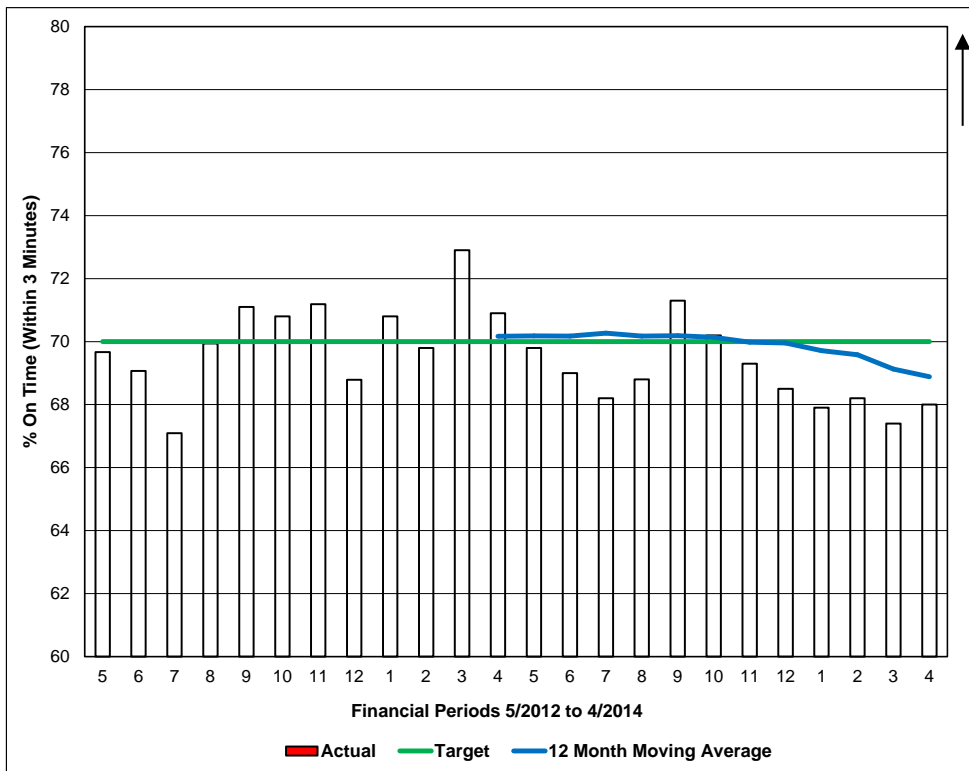
2.5.1 – Bus



Performance was above target in Period 4 for the second consecutive period and was at its highest-ever level since the introduction of this KPI.

The improved performance was mainly due to intensive focus on route management along with the re-establishment of on-street supervision.

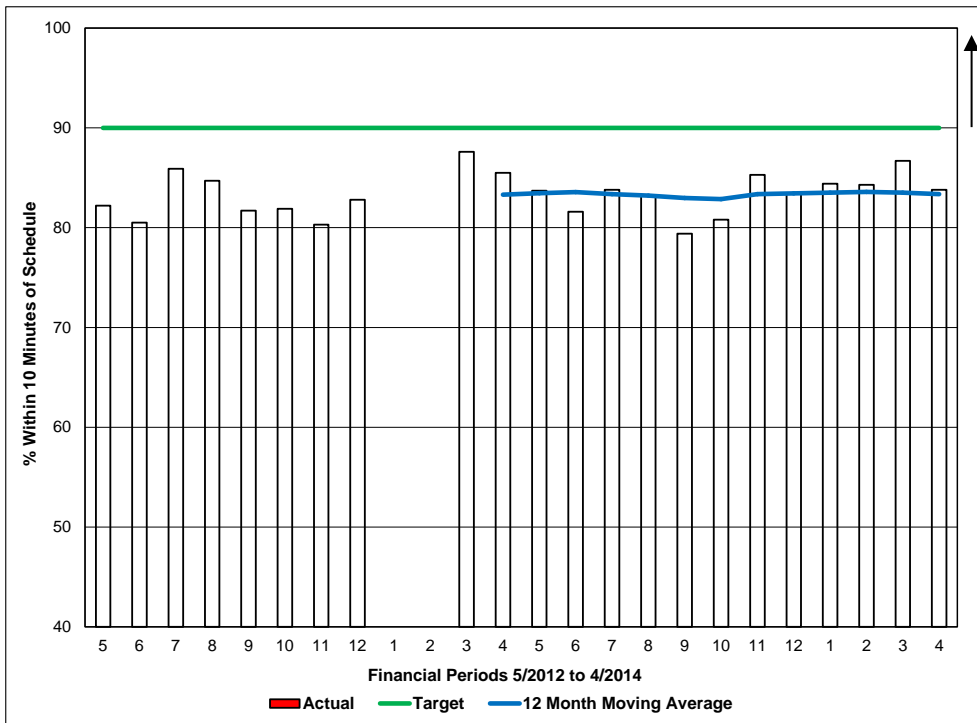
2.5.2 – Streetcar



Performance increased in Period 4 but remained below target for the sixth consecutive period.

The increase in performance was attributable to the turnback of the 501 Queen route at Humber Loop for the Gardiner bridge work. This shortened the route and promoted a more reliable eastbound service.

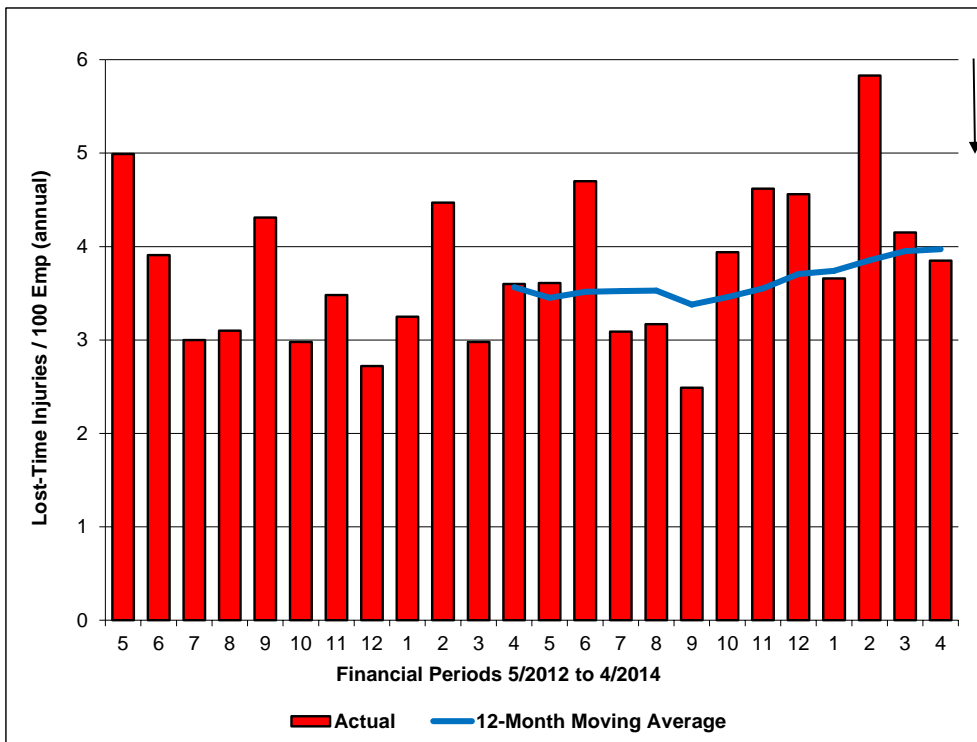
2.5.3 – Wheel-Trans



Performance decreased in Period 4 and remained below target.

2.6 – Safety and Security

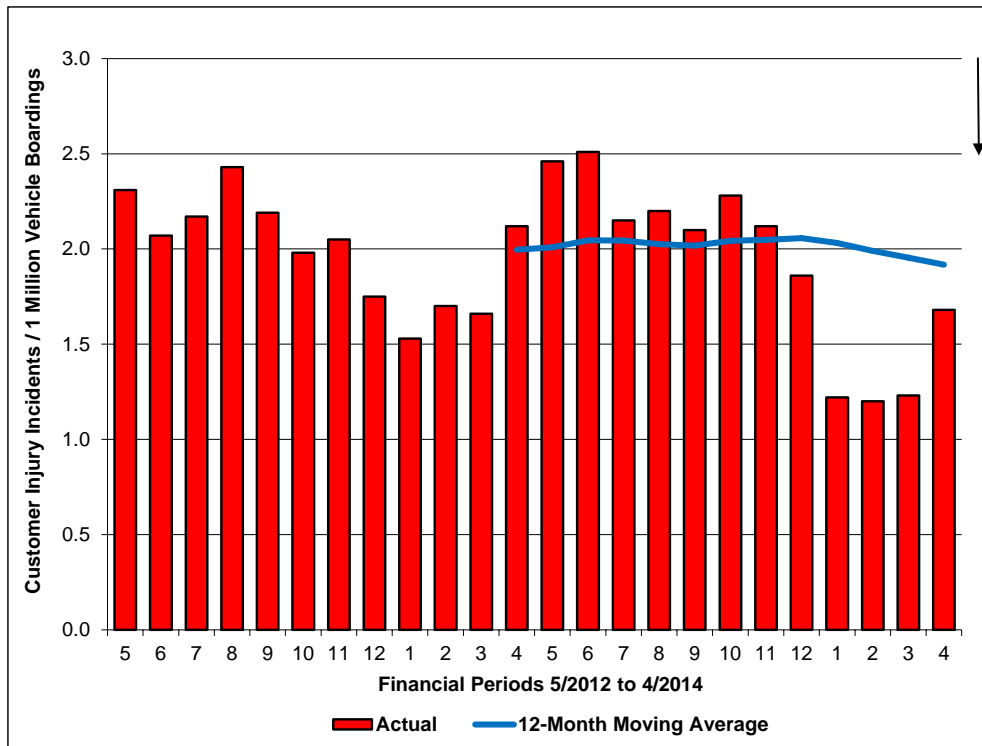
2.6.1 – Lost-Time Injuries (Annual Injuries / 100 Employees)



The annualized lost-time injury rate (LTIR) for Period 4 2014 was 3.85 lost-time injuries per 100 employees, which was 7% higher than the LTIR of 3.60 for Period 4 2013.

The moving annual LTIR to the end of Period 4 2014 was 3.97, which was 11% higher than the corresponding rate of 3.57 to the end of Period 4 2013.

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



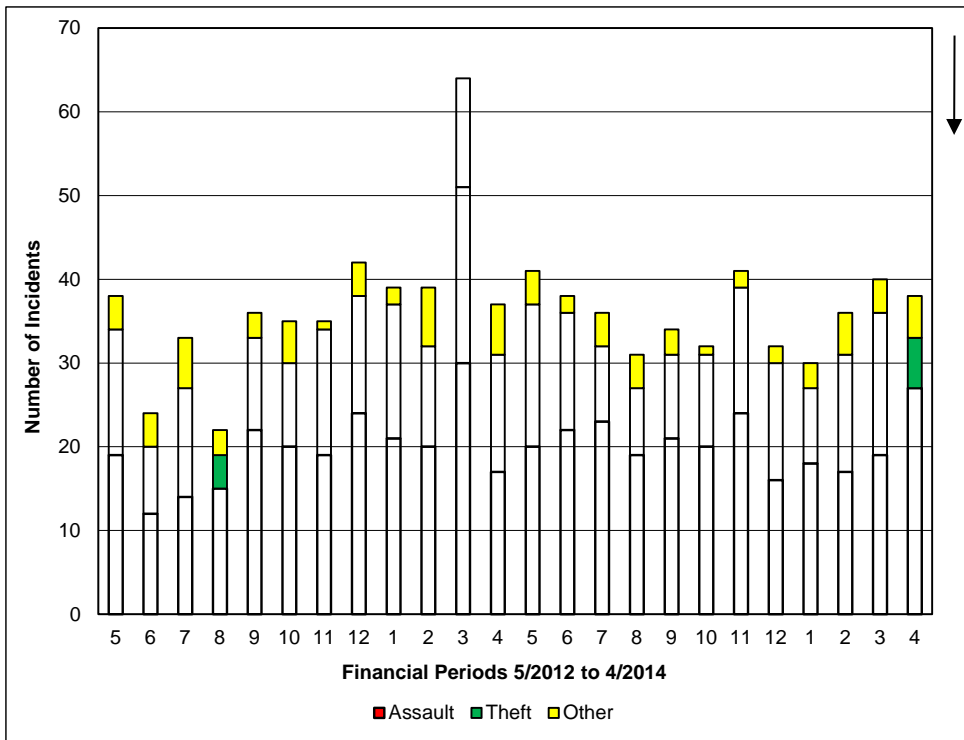
The customer injury incident rate for Period 4 2014 was 1.68 injury incidents per 1 million vehicle boardings, which was 21% lower than the corresponding rate of 2.12 for Period 4 2013.

The moving annual customer injury incident rate to the end of Period 4 2014 was 1.92, which was 4% lower than the corresponding rate of 2.00 to the end of Period 4 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.

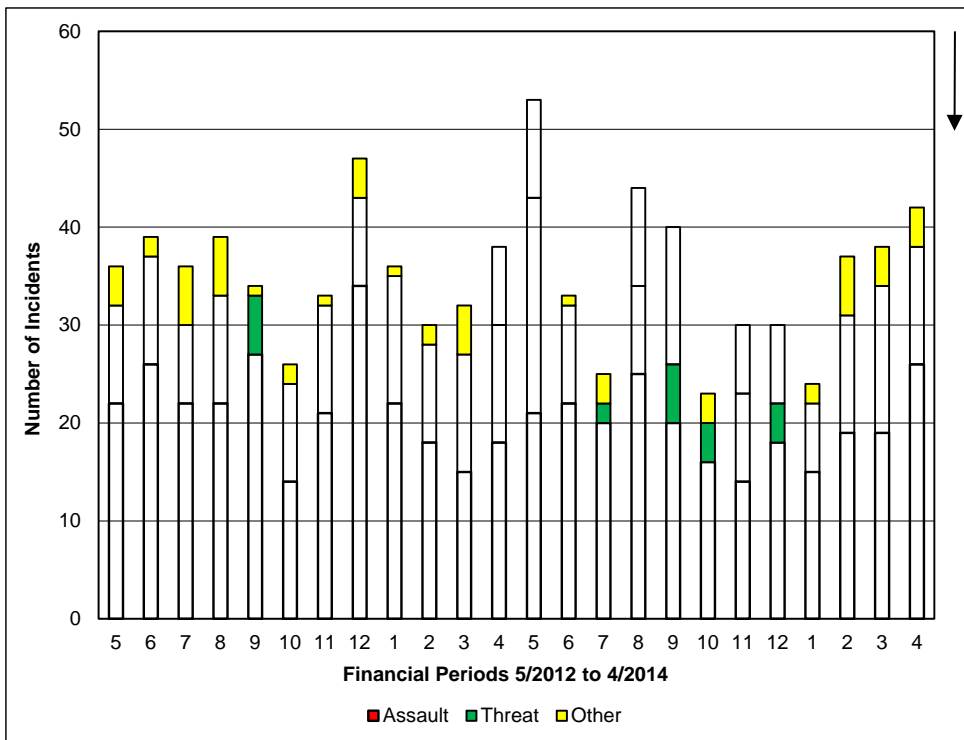
2.6.4 – Offences Against Customers



Total offences against customers decreased in Period 4.

Year-to-date to Period 4, there were 35 fewer offences (144 vs. 179) compared with the corresponding period in 2013. This includes seven fewer assaults (81 vs. 88), 17 fewer thefts and robberies (46 vs. 63), and 11 fewer 'other' offences (17 vs. 28).

2.6.5 – Offences Against Staff

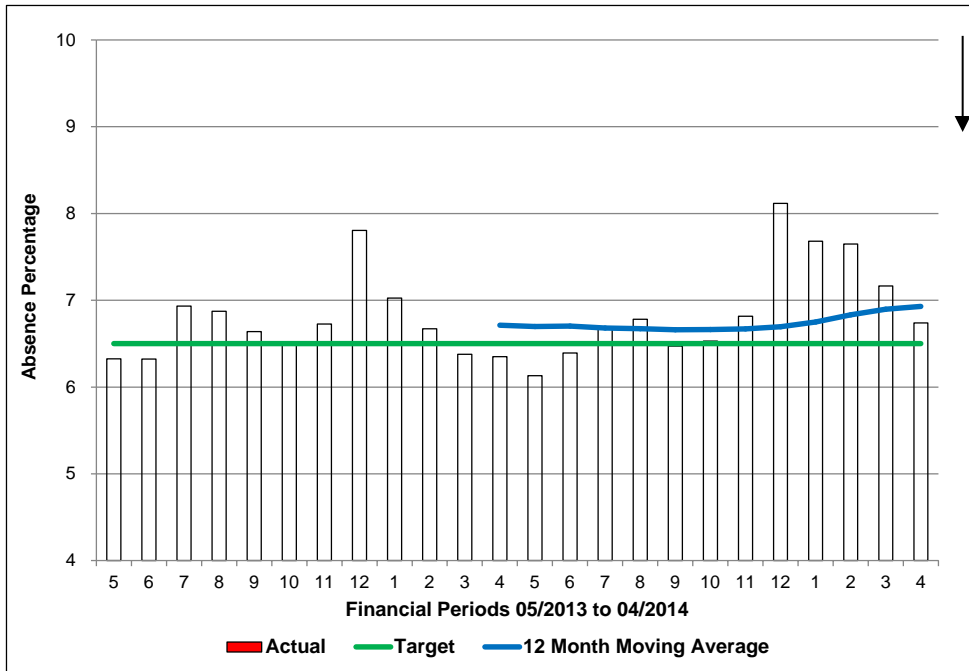


Total offences against staff increased in Period 4.

Year-to-date to Period 4, there were five more offences (141 vs. 136) compared with the corresponding period in 2013. This includes six more assaults (79 vs. 73), one fewer threat (46 vs. 47), and the same number of 'other' offences (16).

2.7 – People

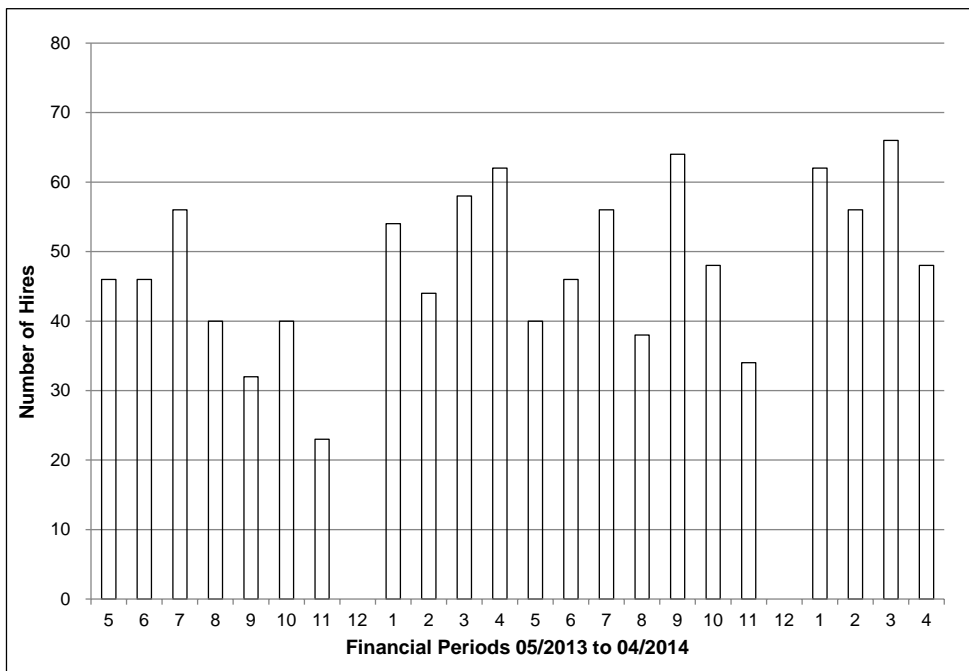
2.7.1 – Attendance



The absence rate decreased in Period 4 for the fourth consecutive period but continued to remain above target.

The short-term trend since the beginning of 2014 has seen some improvement; however, the long-term absence trend continues to worsen. For each of the past seven 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.

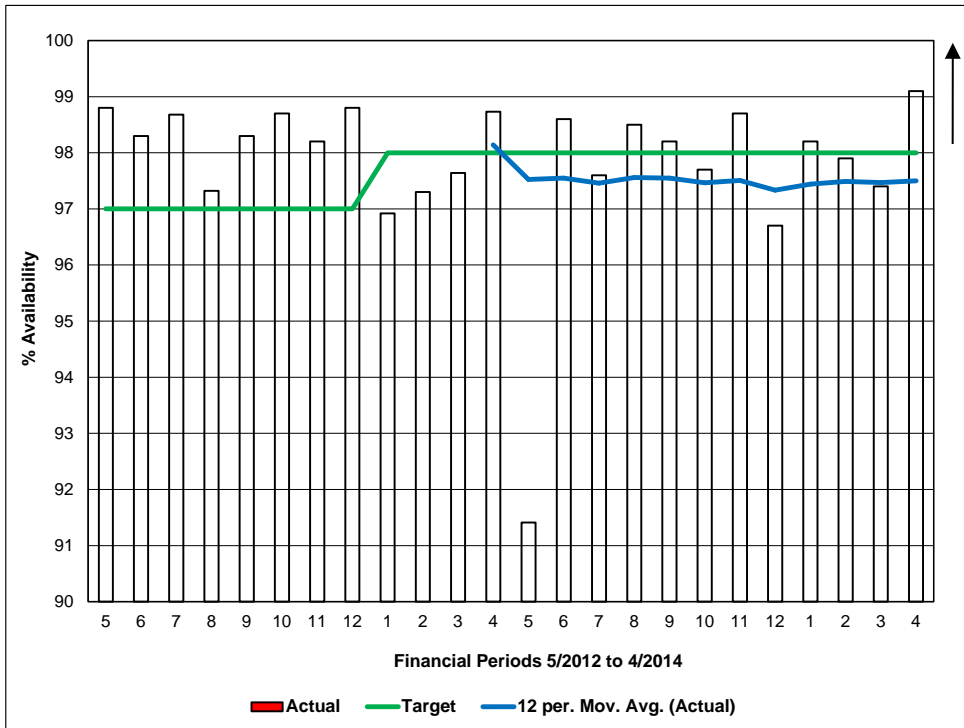
2.7.2 – Operator Hires



In Period 4, 48 Operators were hired and began training.

2.8 – Device Availability

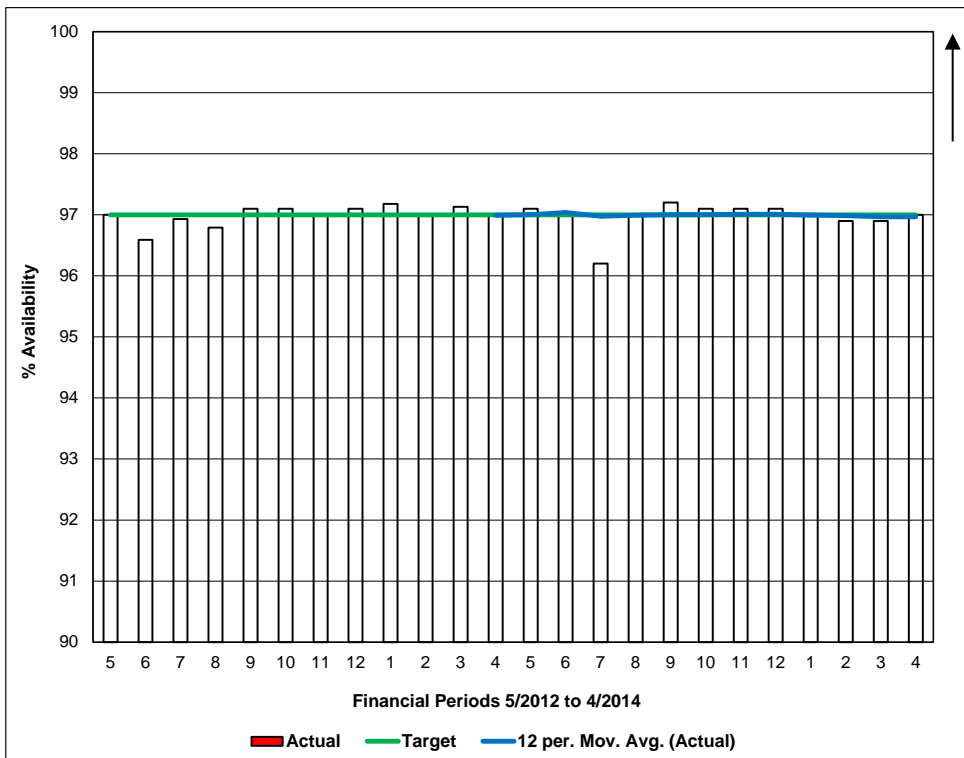
2.8.1 – Elevator Availability



Performance was above target in Period 4 for the first time in three periods.

Elevator maintenance was completed as planned and scheduled and overall downtime was reduced due to the absence of any major elevator overhaul activity.

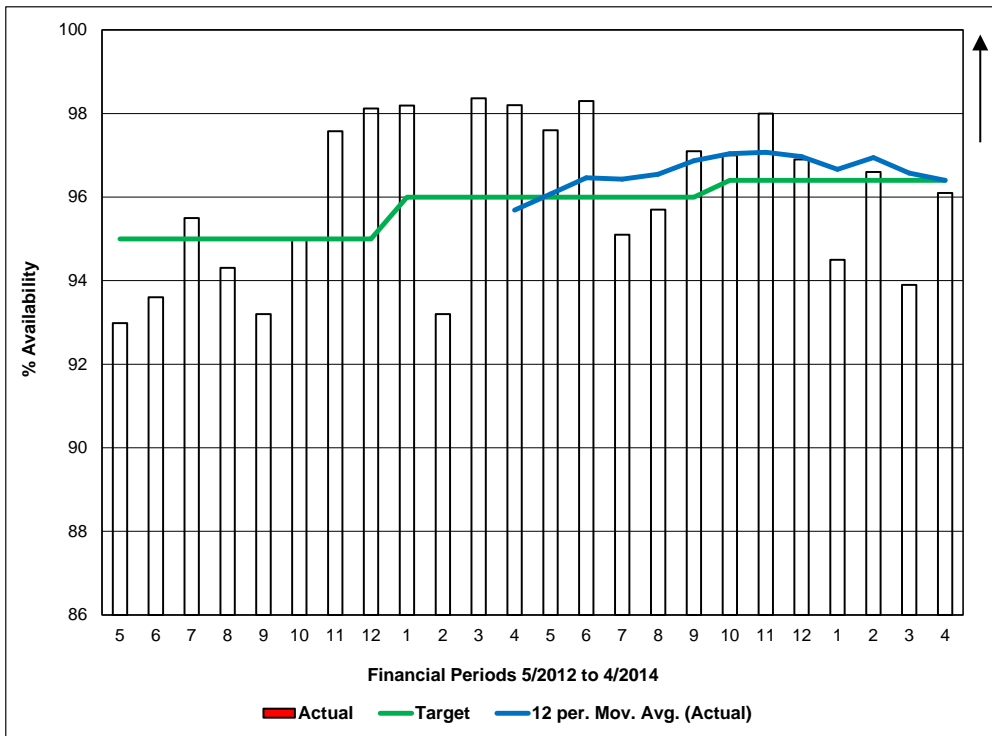
2.8.2 – Escalator Availability



Performance increased marginally in Period 4 to be at target.

Maintenance programs are being completed as planned and scheduled, which is assisting in keeping trouble calls to a minimum.

2.8.3 – Fare Purchase Opportunity



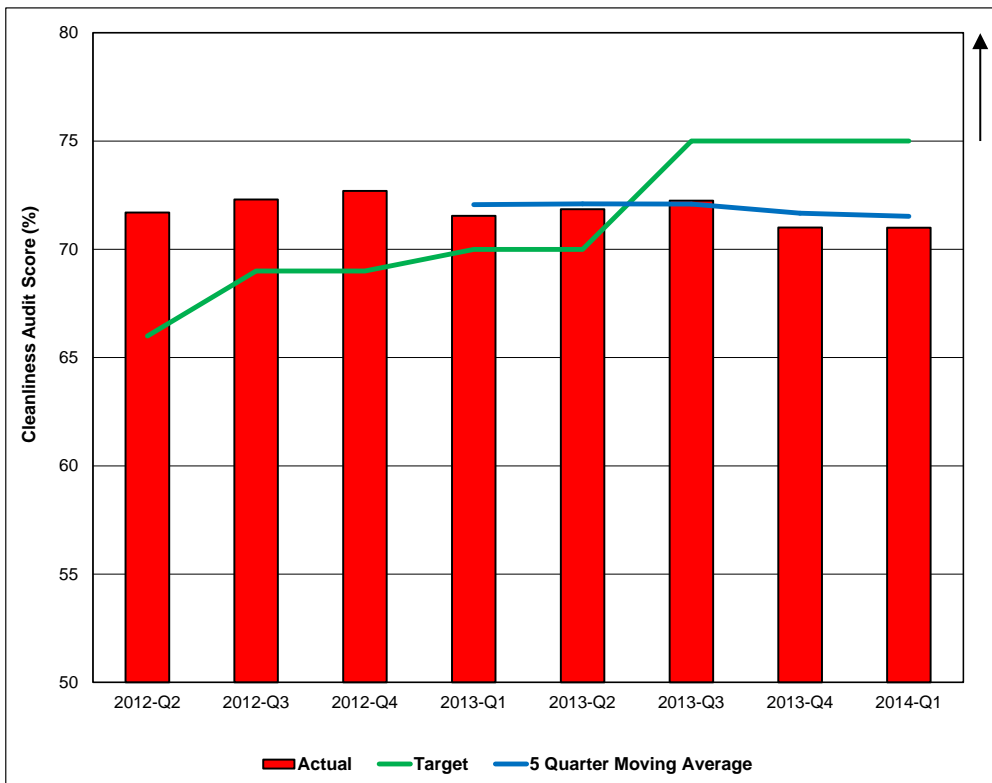
Performance increased substantially in Period 4 but remained below target for the second consecutive period.

Arrests involving the vandalism of Token Vending Machines resulted in a significant improvement in overall vending machine reliability.

Software problems involving Pass Vending Machines should be corrected in Period 5.

2.9 – Mystery Shopping and Audits

2.9.1 – Station Cleanliness



Performance in Q1 2014 remained unchanged from Q4 2013 and continued to be below target.

The City of Toronto experienced a record number of days with sub-zero temperatures, which hampered efforts to use water to clean unheated subway stations. Performance was also negatively impacted by the December 2013 Ice Storm and its aftermath and by workforce shortages resulting from delays in filling vacant positions.

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.

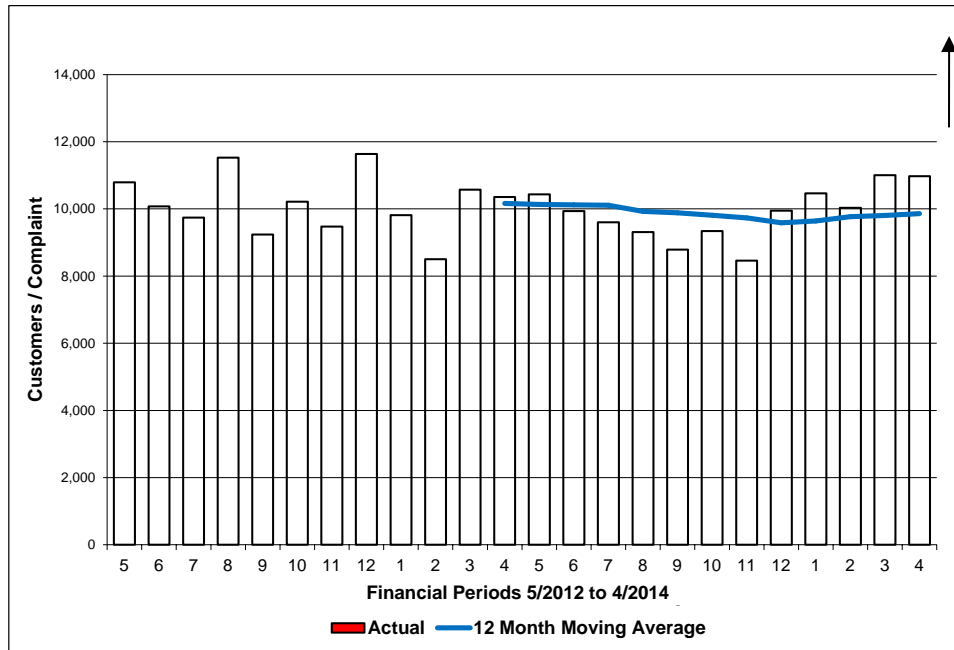
2.9.4 – Staff Helpfulness MSS

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

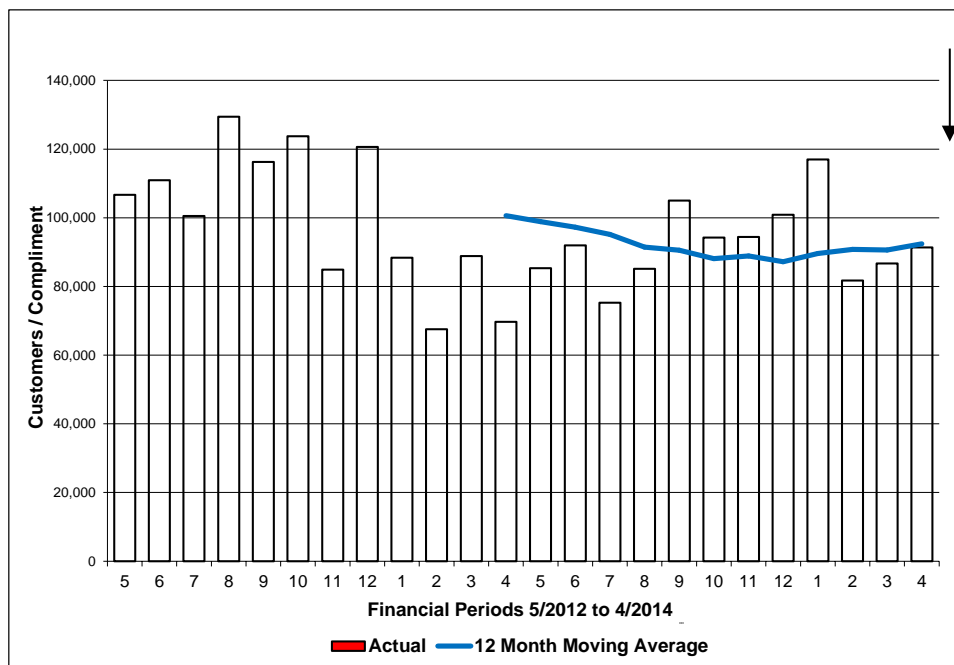
This section provides information on various customer-related issues, including trends for customer complaints and compliments, customer satisfaction improvement initiatives, and current major closures.

3.1 – Customer Complaints



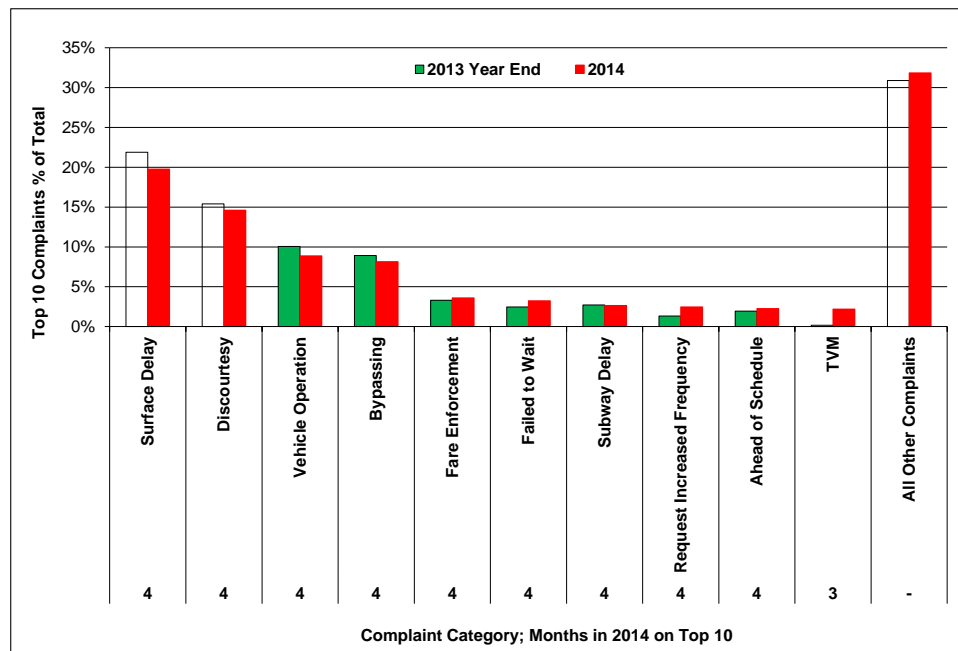
Customers per complaint is flat month-over-month, continuing a positive trend for the last six periods. Top 10 complaints are consistent with last period, with improvements in Surface Delay, Discourtesy, and Vehicle Operations categories.

3.2 – Customer Compliments



Customers per compliment increased slightly and is trending upward (unfavourable).

3.3 – Top Ten Complaints



Top 10 complaints are consistent with last period. Increases occurred for complaints regarding Failed to Wait and Request Increased Frequency. The largest increase was with Token Vending Machine complaints, which unfortunately continue due to repeated vandalism.

Decreases in complaints in the top 3 categories were noted this period – Surface Delay, Discourtesy, and Vehicle Operation.

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.

In March, the TTC launched the trial of new wayfinding signage at Bloor-Yonge Station as part of its efforts to improve and ease navigation of the subway system and its stations. Improved wayfinding is part of the TTC’s Customer Charter and can be located under “Informative”. By the end of Q2, St. George Station will also receive new wayfinding signage. Staff will then begin surveying customers as they pass through both stations to gather feedback.

In October 2013, the TTC board endorsed a presentation by staff to apply already-existing line numbers and colour-coding to the four subway and RT lines, make greater use of pictograms, and improve station entrance signage across the city. Applying line numbers and colours already in use to existing line names will make navigating the TTC that much easier for frequent, occasional, and first-time riders, as well as those whose first language is not English.

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, Finch, Downsview, and Lawrence, Queen, and Main. In addition, a Meet the Managers session was held at the People in Motion exhibition. 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 2014, with the schedule posted on the TTC website.

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 – Oct 11/14	Waterfront Toronto Queens Quay Reconstruction
Streetcar	Spadina Ave. and Queens Quay including Loop	May 13/13 – Aug 30/14	Platform Upgrades & Track Replacement
Subway	Line 1 (Yonge-University-Spadina) Wilson Stn to Downsview Stn	Jun 28/14 – Jun 29/14	Track Replacement
Streetcar	Queen St. and Broadview Ave. intersection	Jun 30/14 – Jul 24/14	Track Rehabilitation
Streetcar	Dundas St. and Spadina Ave. intersection and Spadina Stn	Jul 14/14 – Aug 30/14	Track Rehabilitation & Platform upgrades at station

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

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 4 (May 3), total revenues were \$6.5 million (1.6%) below budget primarily due to 2.8 million (1.5%) fewer customer journeys than planned and a slightly lower average fare (0.70¢ or 0.3%) stemming from marginally higher (about 0.5%) monthly pass sales. Over the same time period, expenses were \$5.6 million (1.1%) below budget largely due to the timing of certain non-labour expenses.

2014 Year-End Projections

(millions)	Projected	Budget	Variance
2014 TTC Operating Budget			
Customer Journeys (Ridership)	537	540	(3)
Revenue	\$1,159.4	\$1,166.5	(\$7.1)
Expenses	\$1,598.5	\$1,597.6	\$0.9
Subsidy Required	\$439.1	\$431.1	\$8.0
Subsidy Available	\$431.1	\$431.1	-
Surplus/(Shortfall)	(\$8.0)	-	(\$8.0)

The currently projected year-end subsidy shortfall of \$8 million primarily reflects the following variances. This estimate does not include any potential budgetary impact of the recently settled union contract negotiations. For 2014, the total estimated impact is \$13.5 million. The majority of these costs will be covered by the City's operating budget non-program provision of \$9.4 million and the TTC Capital Budget. The balance (\$2.6 million) will be addressed through discussions with the City Manager and every effort will be made to identify efficiencies and costs savings throughout 2014.

Passenger Revenues: \$7.6 million decrease

The number of customer journeys for the year is expected to be marginally (about 3 million) below target largely due to the severe cold temperatures experienced in January, February and March. 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 \$7.6 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 4 (May 3), total revenues were marginally (\$88K or 4.6%) below budget. This reflects slightly reduced revenue from 4K (0.3%) fewer customer journeys and a lower average fare (\$0.08 or 4.3%). Over the same period, expenses were \$1.2 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 currently no projected year-end subsidy variance.

4.3 - Capital Program

2014 Year-to-Date Results

Capital expenditures to Period 4 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	\$1,072.3	\$1,084.0	(\$11.7)
Toronto-York Spadina Subway Extension (TYSSE)	\$419.5	\$527.6	(\$108.1)
Scarborough Subway Extension (SSE)	\$14.5	\$14.5	-

*Excludes additional carry forward spending on Base Program and YYSSE (\$197.7M & \$150M respectively)

Base Program Expenditures: \$11.7 million under

The current projected spending on the Base Capital Program is estimated at \$1072.3 million, which is within the 2014 approved budget of \$1,084 million. There is typically significant variability in the early estimates of various programs which, if continued, will result in staff requesting budget re-allocations from programs with under-spending to those with higher needs.

Subway Track: \$23.5 million under

The projected under-spending is due to the Davisville Area Rehabilitation Project (DARP). While the detailed design work by consultant will continue, the schedule for main construction and commissioning of DARP is set for 2016 due to time and logistical constraints, availability of buses/operators, co-ordination issues, and conflict with other major City events.

ATC Resignalling: \$19.2 million under

The under-spending is primarily due to supplier delays relating to Computer Based Interlocking (CBI) between Union, Bloor and Davisville interlocking; hiring new TTC installation crews deferred to end of 2014.

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: \$108.1 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-three trainsets have been accepted into revenue service. This marks the acceptance of the 14th 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 was completed this period. All TR trains on property are now ATO-ready.

A reliability improvement plan comprising of component and system testing is largely completed. Retrofit work has been progressing well. An attainable schedule to install low ceiling handholds, exterior door chimes and an additional bungee cord for the inter-car barrier has been established. Production prototypes have been completed. Key train performance indicators and reliability are improving.

The overall 70 trainset Toronto Rocket project includes 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. The 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 Advisory Committee on Accessible Transit (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 commenced in Q2 this year. Program efforts such as vehicle-wayside interface, fare collection system, training for maintenance employees and operators and operational policy development 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 towards 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 City of Toronto's 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. The next meeting is scheduled for June 26, 2014. Safety walks to identify specific concerns to cyclists and pedestrians are planned after every new construction stage and as required. The latest safety walk was held on May 14, 2014.

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 a project postcard issued in April, posters for businesses explaining access during the Queen/Leslie intersection closure, Doors Open on May 24, 2014 at Russell Carhouse, advertising of events on the Leslie Barns website, promotional signage and incorporating the BIA benches into the streetscape design on Queen Street. Weekly BIA meetings have been scheduled May 9 to June 21, 2014, prior to and during the Queen/Leslie intersection closure. The Community Liaisons have continued their outreach efforts by continuing to hold one-on-one meetings with local businesses and residents and respond to emails, phone calls and walk-in questions and concerns from the community. The next issue of the project newsletter is scheduled for early summer 2014.

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 new platform is expected to open to the public in the summer 2014. 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 east side entrance to Dufferin Station was reopened to customers on April 5, 2014. 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.

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 Station contract was awarded. On-site mobilization is ongoing. The contract for Ossington Station was tendered and is

expected to be awarded June 2014. The contract for Coxwell Station will be tendered in June 2014. Construction of enabling works is ongoing.

5.4 Automatic Train Control (ATC)

To date, the ATC project is on budget with a total budget of \$562 Million.

At this time, Communication Based Train Control system (CBTC) of TYSSE and Line 1 (Yonge-University-Spadina) is planned to be in revenue service by December 2019.

TTC staff is working on Union Computer Based Interlocking (CBI) commissioning with a planned completion date of July 27, 2014.

To achieve capacity increases, Line 1 requires modernization. It will also address issues such as life expired signalling equipment and updating of the current communications network to enable a modern CBTC system. The scope of the project also includes provision of ATC equipment on the new Toronto Rockets. A limited conventional signalling system (CBI) will be provided to allow mixed mode operation and as a back-up to the ATC system. The addition of the ATC scope on TYSSE to the Line 1 ATC Project includes ATC functionality that will be added after ATC on Line 1.

To date, there has been slippage primarily due to supplier delays relating to south Yonge CBIs, Union, Bloor, and Davisville which is reflected in a recently accepted baseline schedule, the planned dates of which are later than when the 2014 budget was forecast. A knock-on effect of this re-planning of work is that the hiring of new TTC installation crews has been deferred to end of 2014.

5.5 Toronto-York Spadina Subway Extension (TYSSE)

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

Work on the major facility contracts consisting of six stations and attendant infrastructure (emergency exit buildings, three track structure, etc.) is advancing at different paces with three stations, York University, Steeles West (Pioneer Village) and Hwy 407 not maintaining schedule. At this time, the progress on these stations poses the most serious schedule challenge to the overall project schedule. Efforts to have the contractors on these stations improve their schedule performance are intense and have been ongoing for some time. Sheppard West (Downsview Park) likewise is not maintaining its schedule but due to its early contract award and good performance at the beginning, work is well advanced and current progress is not expected to impact the overall project schedule. Vaughan Metropolitan Station schedule faltered beginning around October last year to late April this year with indications of improvement starting in late April. Work on Finch West Station is currently progressing well.

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

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 selected streetcar transit stops for the 510 Spadina, 511 Bathurst, 505Dundas, 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. In addition, ticket validator machines for child, student and senior tickets will also be available on the new streetcars for the August 31 launch of the new streetcars.

The testing of the new PRESTO devices has commenced and involves the following test activities in preparation for revenue service in November 2014:

- Acceptance testing at the manufacturer's facility (May and June 2014);
- Lab-based testing at PRESTO operations offices (February – September 2014); and
- Testing on new streetcars that are not in revenue service (June – October 2014).

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 19 subway stations and the electrical construction work to upgrade the power configuration has been completed at 11 stations. 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. Construction work for Spadina Station is planned to commence in June 2014.