

# TORONTO TRANSIT COMMISSION REPORT NO.

**MEETING DATE:** May 28, 2014

**SUBJECT:** Chief Executive Officer's Report – May 2014 Update

**ACTION ITEM**

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## **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.

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May 15, 2014

42-81

Attachment: Chief Executive Officer's Report



TORONTO TRANSIT COMMISSION

CHIEF EXECUTIVE OFFICER'S REPORT

MAY 2014 UPDATE



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# TORONTO TRANSIT COMMISSION – MONTHLY SCORECARD



Key Performance Indicator		Description	Frequency	Latest Measure	Current	Target	Current Status	Trend	Ref. #
<b>CSS</b>		Customer Satisfaction Survey	Quarter	Q4	74%	TBD			2.2
<b>Customer Journeys</b>		Customer Trips	Period	P3	51.320M	52.069M			2.3
<b>Punctuality – Subway and Scarborough Rapid Transit (SRT)</b>									
Line 1 (Yonge-Univ-Spadina)	Headway + 3 minutes	Period	P3	94.0%	96.0%			2.4.1	
Line 2 (Bloor-Danforth)	Headway + 3 minutes	Period	P3	96.5%	97.0%			2.4.1	
Line 4 (Sheppard)	Headway + 3 minutes	Period	P3	99.4%	98.0%			2.4.1	
Line 3 (SRT)	Headway + 3 minutes	Period	P3	92.3%	96.0%			2.4.2	
<b>Punctuality – Bus, Streetcar, and Wheel-Trans</b>									
Bus	Headway +/- 3 minutes	Period	P3	69.0%	65.0%			2.5.1	
Streetcar	Headway +/- 3 minutes	Period	P3	67.4%	70.0%			2.5.2	
Wheel-Trans	Within 10 minutes of schedule	Period	P3	86.7%	90.0%			2.5.3	
<b>Safety and Security</b>									
Lost Time Injuries	Injuries / 100 Employees	Period	P3	3.90	TBD			2.6.1	
Customer Injuries	Injury incidents / 1M Vehicle Boardings	Period	P3	1.20	NA			2.6.2	
Behavioural Safety Index	Safety Focused Behaviour	Period	TBD					2.6.3	
Offences against Customers	Assault, theft, other	Period	P3	40	NA			2.6.4	
Offences against Staff	Assault, threat, other	Period	P3	37	NA			2.6.5	
<b>People</b>									
Attendance	Employee Absence	Period	P3	7.17%	< 6.50%			2.7.1	
Operator Hires	Actual vs. Budget	Period	P3	66	66			2.7.2	

# TORONTO TRANSIT COMMISSION – MONTHLY SCORECARD



Key Performance Indicator		Description	Frequency	Latest Measure	Current	Target	Current Status	Trend	Ref. #
<b>Device Availability</b>									
Elevators	% Elevators Available	Period	P3	97.4%	98.0%			2.8.1	
Escalators	% Escalators Available	Period	P3	96.9%	97.0%			2.8.2	
Fare Purchase Opportunity	% TVM's / PVM's Available	Period	P3	93.9%	96.4%			2.8.3	
<b>Mystery Shopping and Audits</b>									
Station Cleanliness	Cleanliness Audit Score	Quarter	Q1	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	
<b>Financials</b>									
TTC Revenue	Actual vs. Budget	Period	P1-3	\$301.4M	\$306.5M			4.1	
TTC Operating Expenditure	Actual vs. Budget	Period	P1-3	\$403.0M	\$405.8M			4.1	
Wheel-Trans Revenue	Actual vs. Budget	Period	P1-3	\$1.4M	\$1.4M			4.2	
W-T Operating Expenditure	Actual vs. Budget	Period	P1-3	\$28.4M	\$28.9M			4.2	
Capital Expenditure – Base	Actual vs. Budget	Period	P1-3	\$174.6M	\$285.1M			4.3	
Capital Expenditure – TYSSE	Actual vs. Budget	Period	P1-3	\$31.4M	\$145.8M			4.3	

## Key to Symbols



On target



Target at risk at current trend



Off target



Positive up from last



Positive down from last



Negative up from last



Negative down from last



No change from last

## Note:

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

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

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

## Part 2 – Commentary and Current Issues

### 2.1 – Chief Executive Officer’s Commentary

The TTC Customer Charter commits us to being more accessible and responsive to our customers and communities, to listen to them, and to engage them in the TTC’s initiatives. I believe we are making great strides in this area. An example of this more customer focused thinking involves the closure of several intersections along Queen St. East this spring and summer for various infrastructure upgrades. Such work inevitably causes disruption for commuters and businesses affected by the closures. I am determined that we go the extra mile to mitigate these.

To address the concerns of local businesses, we have conducted an extensive communications campaign that includes the delivery of 35,000 leaflets to residents and businesses along Queen St. and into the neighbouring community, outlining travel options while the work progresses. We are also reminding residents that businesses remain open and to please continue to patronize shops and restaurants. A community office was also established in Leslieville and I recently I attended a community meeting to answer questions from local businesses and to make sure we are doing all we can to be good neighbours. As with all initiatives of this kind, the TTC succeeds only when we genuinely partner with our communities and customers in the delivery of a renewed infrastructure and a more reliable streetcar service.

Customer journeys (ridership) and passenger revenues were below target.

Subway punctuality on Line 1 (Yonge-University-Spadina), Line 2 (Bloor-Danforth), and Line 3 (SRT) improved compared to last period but remained below target. Punctuality continued above target on Line 4 (Sheppard). A combination of the final effects 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 increased to above target. Streetcar punctuality and Wheel-Trans punctuality both remained below target, both being hit by extensive construction work across the city.

Employee absence showed improvement but remained well above target. The favourable long-term trend of period results being consistently lower than the comparable prior-year period continues to soften and this is receiving management attention.

Elevator availability, escalator availability, and TVM/PVM availability were each below target, reasons for which are outlined within this report.

On the financial side, year-to-date revenues were below budget, primarily due to 2 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.

The management team has been further strengthened with the recruitment of senior, specialist staff to head up surface transit, subway operations and customer communications.

Finally, I am pleased to note that the TTC successfully negotiated four, four year, affordable deals with its unions without recourse to arbitration. This represents a major success and is testament to the hard work of all involved to reach a mutually acceptable outcome.

## **2.2 – Customer Satisfaction Survey**

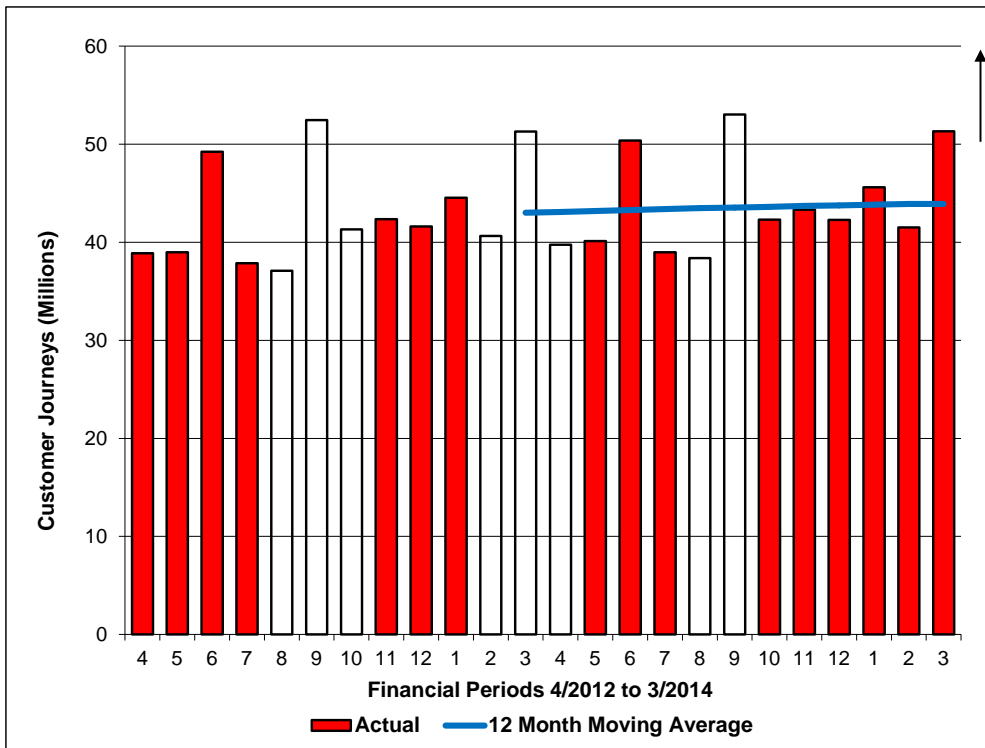
The Q4 2013 Customer Satisfaction Survey demonstrates an overall customer satisfaction rating of 74%. This represents a slight decline in overall customer satisfaction compared to Q3 2013 (75%), but is higher than the comparable period in 2012 (72%). There may be some seasonality trends evident in the 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 subway stations, 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.

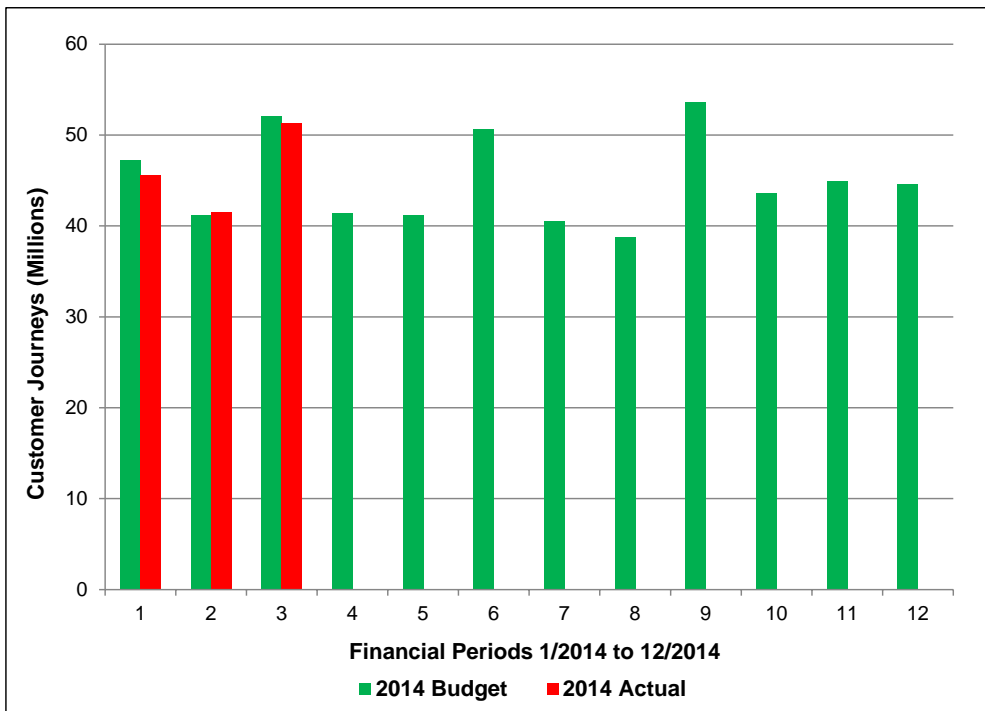


### 2.3 – Customer Journeys



There were 51.320M customer journeys (ridership) taken during Period 3 2014, which was 0.027M (+0.1%) more than the 51.293M journeys taken during Period 3 2013.

The annual number of customer journeys to the end of Period 3 2014 was 527.081M, which was 10.794M (+2.1%) more than the 516.287M annual journeys taken to the end of Period 3 2013.



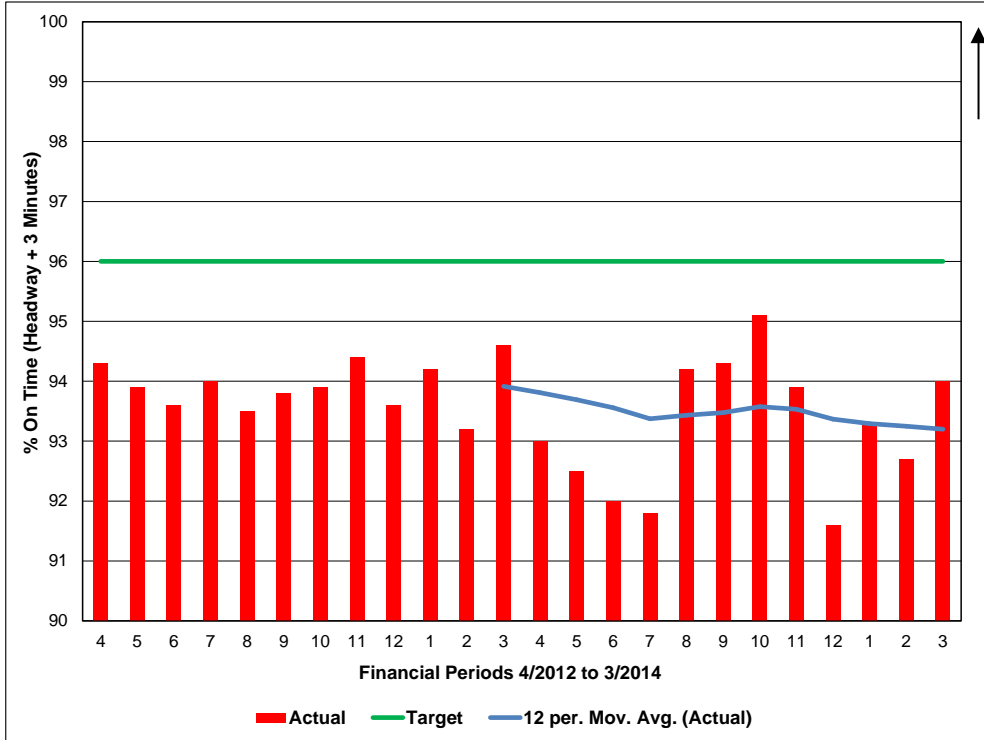
There were 51.320M customer journeys taken during Period 3 2014, which was 0.749M (-1.4%) less than the budget of 52.069M journeys.

The number of customer journeys taken year-to-date to the end of Period 3 2014 was 138.459M, which was 2.100M (-1.5%) less than the budget of 140.559M journeys.

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

### 2.4.1 – Subway

#### Line 1 (Yonge-University-Spadina)

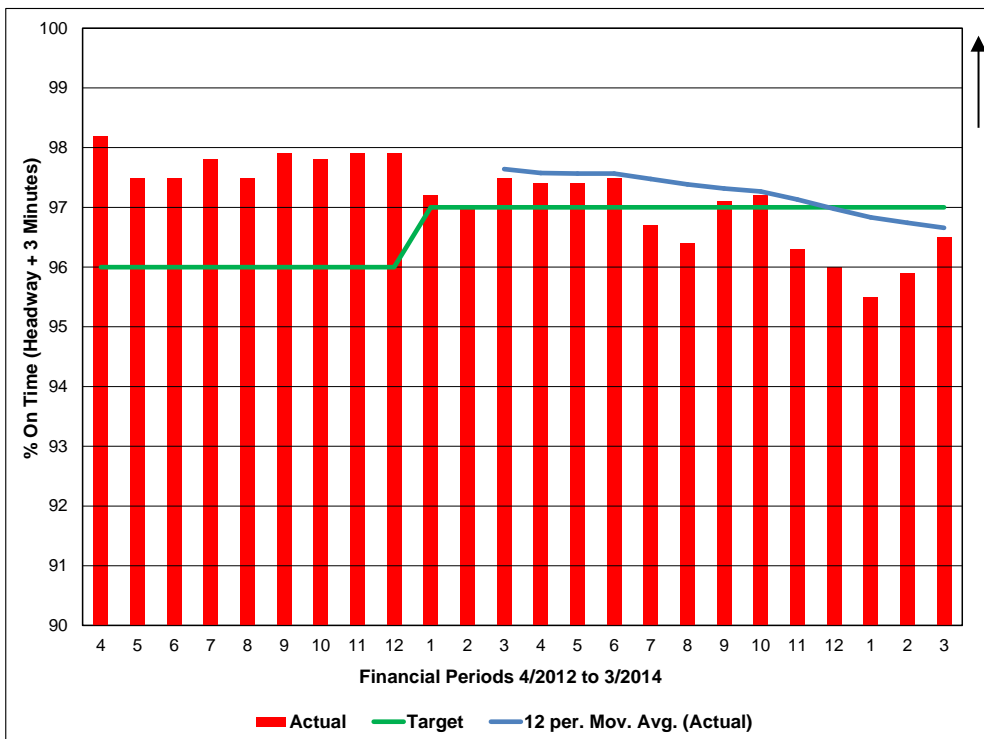


Performance increased in Period 3 but remained below target.

As weather steadily improves, and incidents and total minutes of delay hold relatively stable, similar performance to Period 3 is anticipated.

In order to bring levels to target, efforts are focusing on improving efficiency by allocating more resources to minimize dwell times at crewing locations and end terminals. In addition, maintenance programs aimed at improving fleet reliability and minimizing signal problems and restricted speed zones are being implemented.

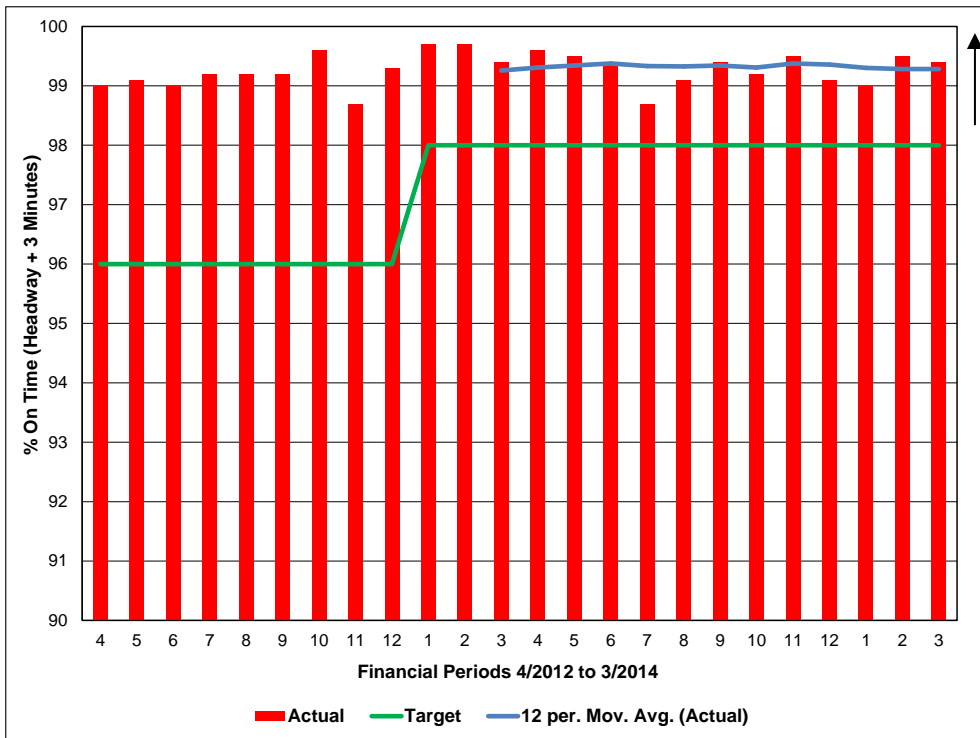
#### Line 2 (Bloor-Danforth)



Performance in Period 3 increased but remained below target for the fifth consecutive period.

It is anticipated that performance should continue to improve in conjunction with reductions in weather-related delays. The negative impact of track-related restricted speed zones is a continuing problem. Speed control, which has caused headway inconsistency in past periods, is improving and becoming less of an impact on performance.

## Line 4 (Sheppard)

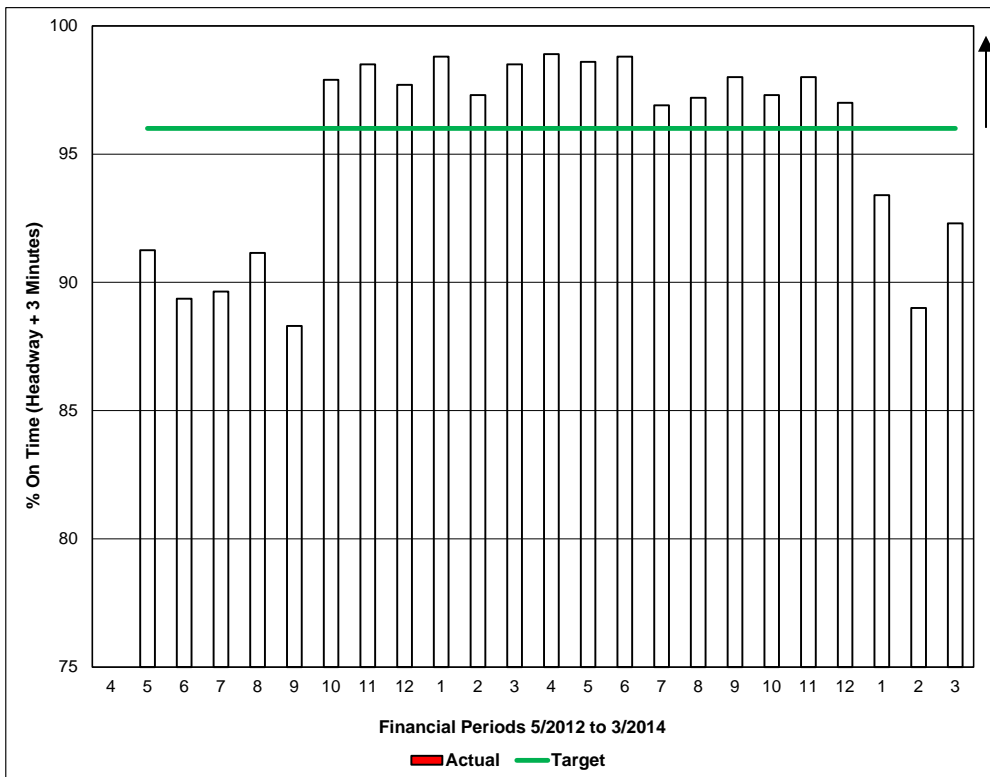


Performance continued well above target in Period 3.

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)



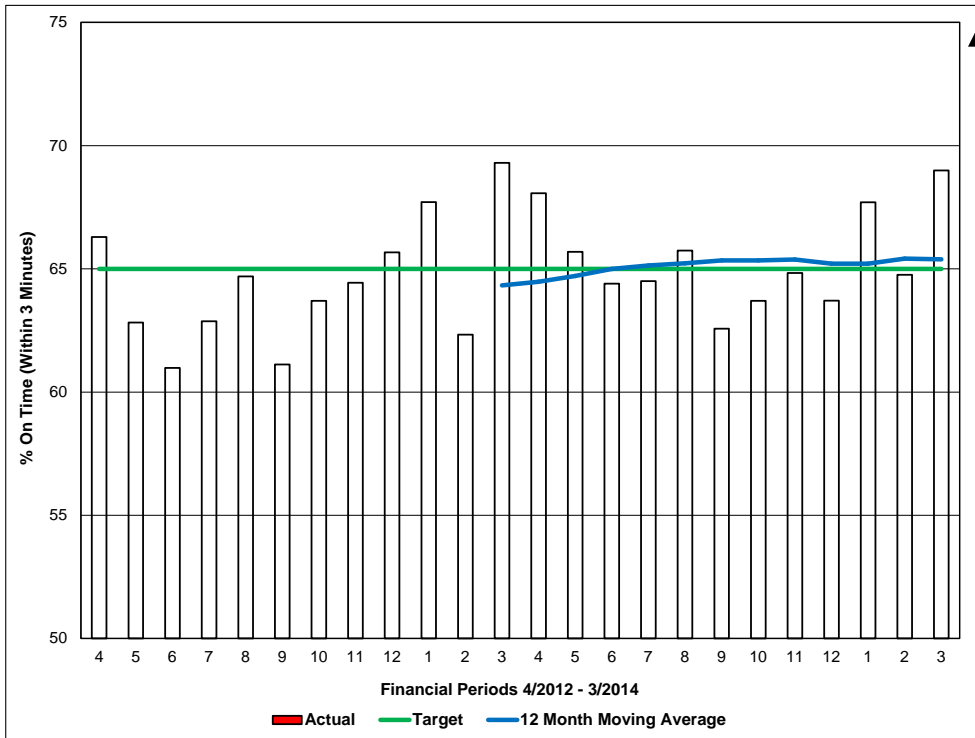
Performance in Period 3 increased but remained below target for the third consecutive period.

Multiple equipment challenges including PCU and time-out incidents, resulted in this measure failing to meet expectation for the third consecutive period.

It is anticipated that performance will further improve in Period 4 in conjunction with replacing defective PCUs, subway infrastructure maintenance, and maintaining speed and braking restrictions.

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

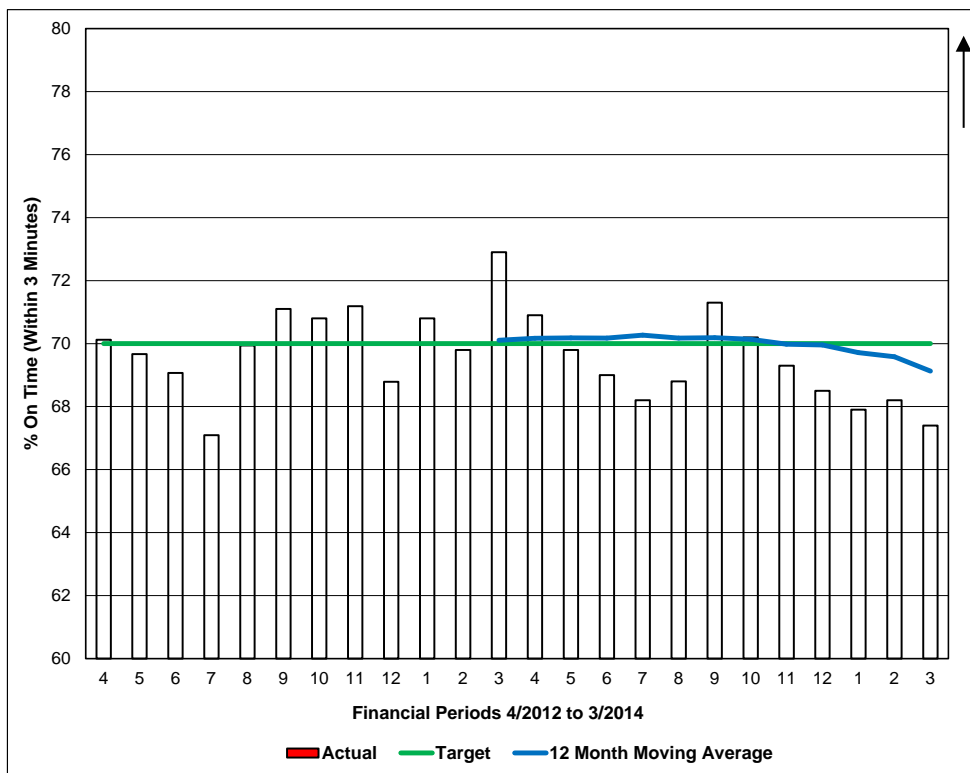
### 2.5.1 – Bus



Performance increased to above target in Period 3 and was at its highest level in 12 periods.

Continuing emphasis on providing safe, punctual, and reliable service is resulting in better service for TTC customers.

### 2.5.2 – Streetcar

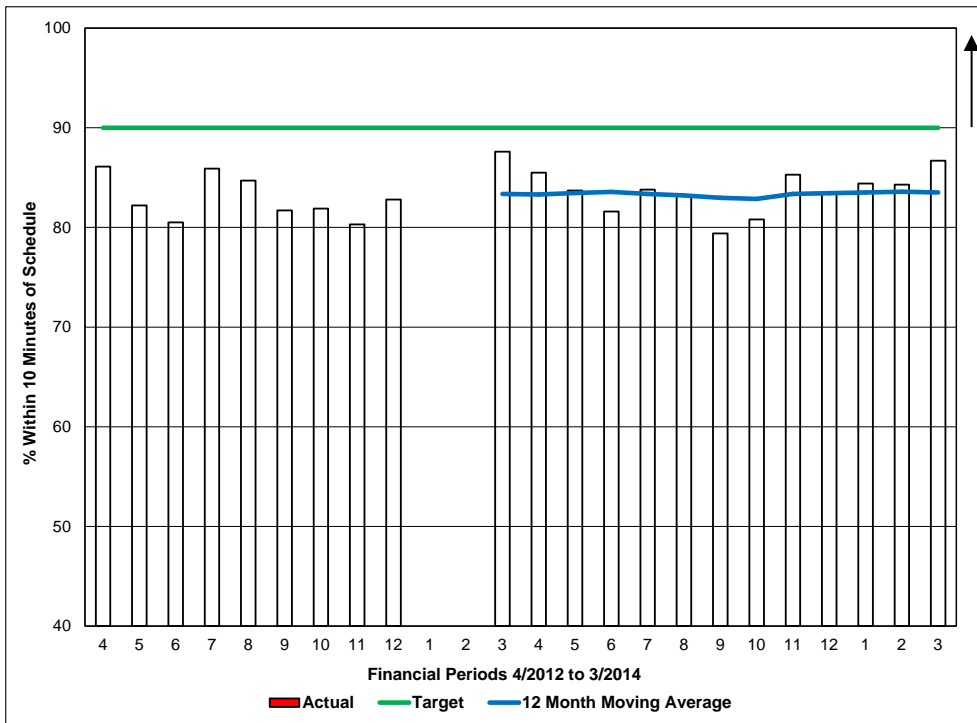


Performance decreased in Period 3 and remained below target for the fifth consecutive period.

Ongoing road construction resulted in a decrease in on-time performance levels for the 511 Bathurst route. Construction is expected to be completed by the end of May 2014.

The 512 St. Clair route was negatively impacted by passenger congestion at St. Clair West Station and inoperable transit signal priority at the St. Clair/Yonge intersection. The TTC has requested the City to restore the signal priority.

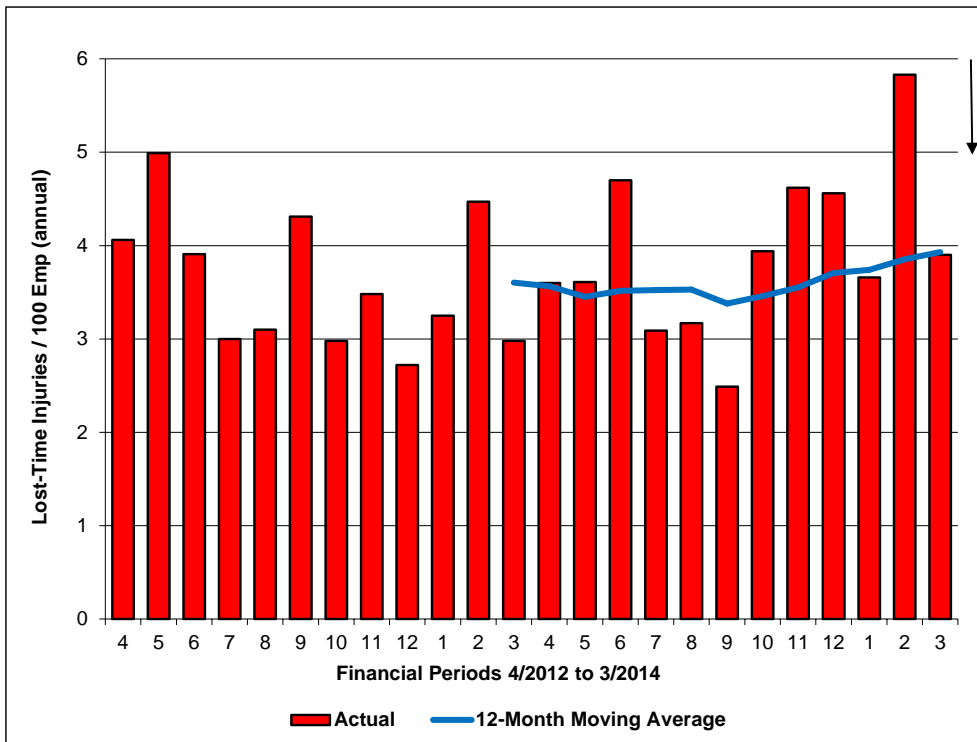
### 2.5.3 – Wheel-Trans



Performance remained below target in Period 3 but increased to its highest level in the past 12 periods.

### 2.6 – Safety and Security

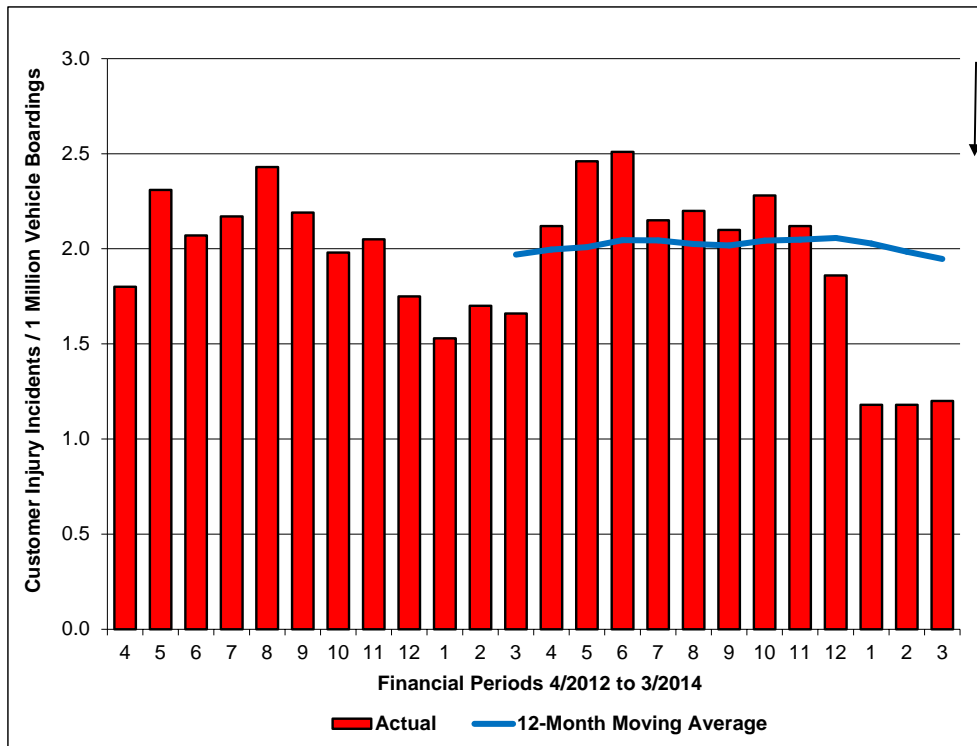
#### 2.6.1 – Lost-Time Injuries (Annual Injuries / 100 Employees)



The annualized lost-time injury rate (LTIR) for Period 3 2014 was 3.90 lost-time injuries per 100 employees, which was 31% higher than the LTIR of 2.98 for Period 3 2013.

The moving annual LTIR to the end of Period 3 2014 was 3.93, which was 9% higher than the corresponding rate of 3.60 to the end of Period 3 2013.

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



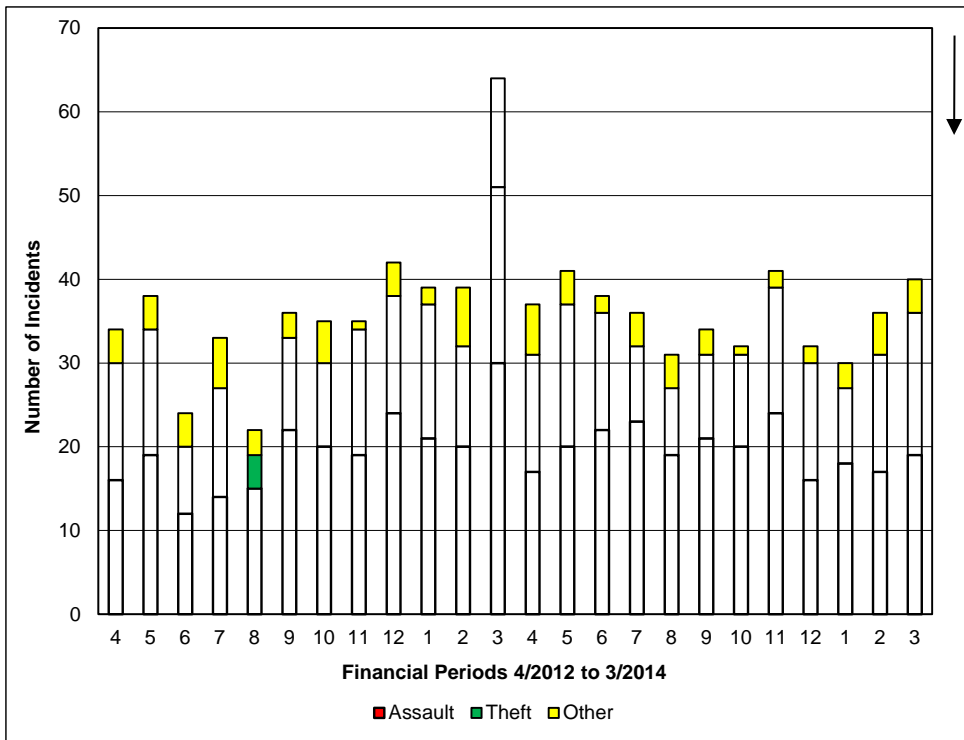
The customer injury incident rate for Period 3 2014 was 1.20 injury incidents per 1 million vehicle boardings, which was 28% lower than the corresponding rate of 1.66 for Period 3 2013.

The moving annual customer injury incident rate to the end of Period 3 2014 was 1.95, which was 1% lower than the corresponding rate of 1.97 to the end of Period 3 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.

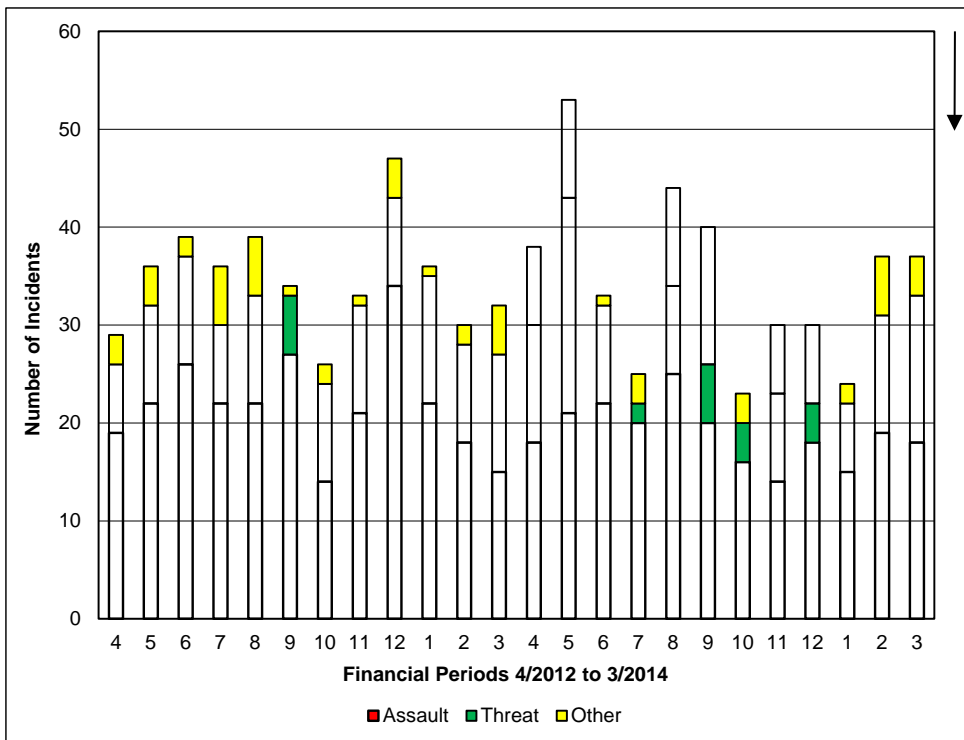
### 2.6.4 – Offences Against Customers



Total offences against customers increased in Period 3.

Year-to-date to Period 3, there were 36 fewer offences (106 vs. 142) compared with the corresponding period in 2013. This includes 17 fewer assaults (54 vs. 71), nine fewer thefts and robberies (40 vs. 49), and 10 fewer 'other' offences (12 vs. 22).

### 2.6.5 – Offences Against Staff

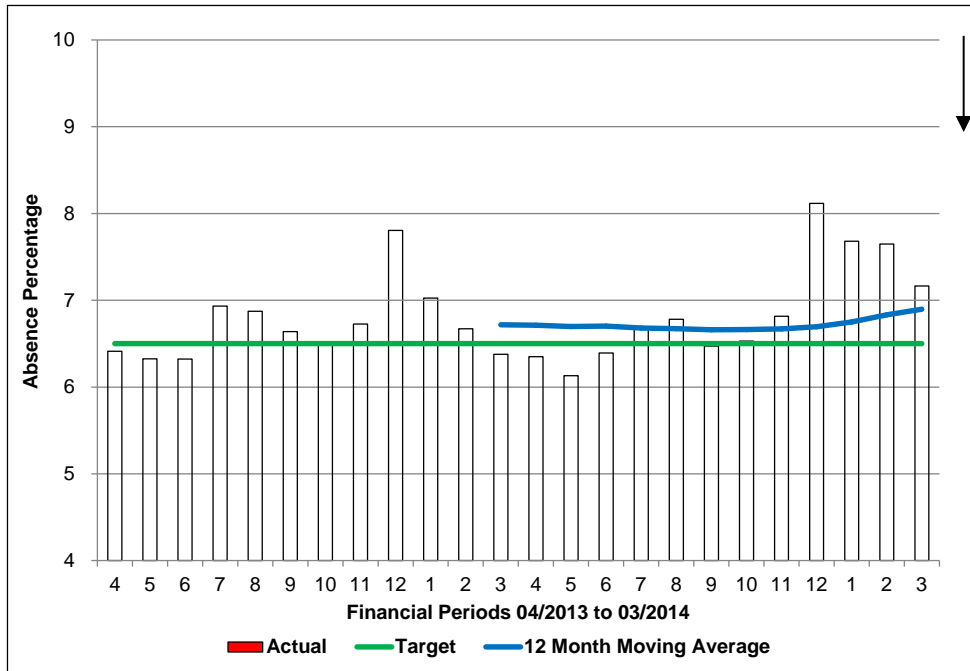


Total offences against staff remained unchanged in Period 3.

Year-to-date to Period 3, there was no change in the number of offences (98) compared with the corresponding period in 2013. This includes three fewer assaults (52 vs. 55), one fewer threat (34 vs. 35), and four more 'other' offences (12 vs. 8).

## 2.7 – People

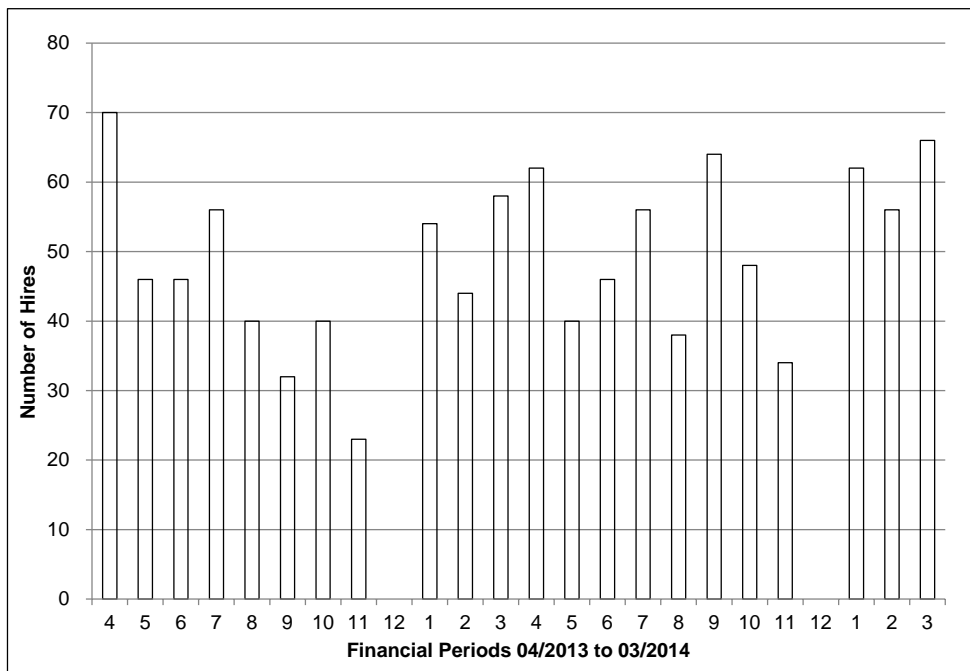
### 2.7.1 – Attendance



The absence rate decreased in Period 3 but remained above target for the sixth consecutive period.

The favourable long-term absence trend continues to soften. For each of the past six 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.

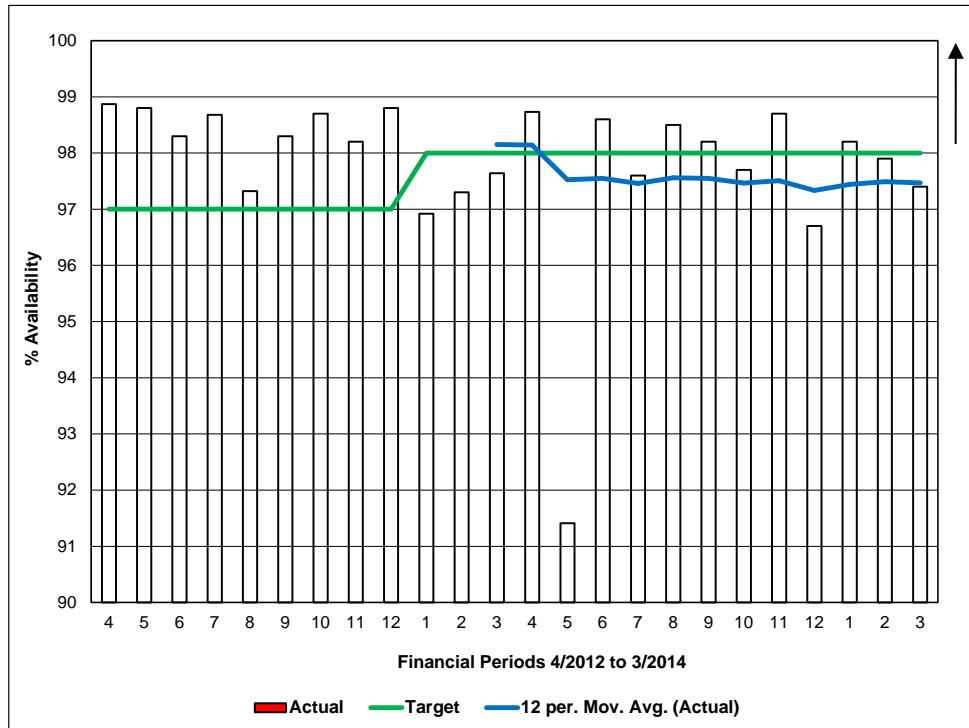
### 2.7.2 – Operator Hires





## 2.8 – Device Availability

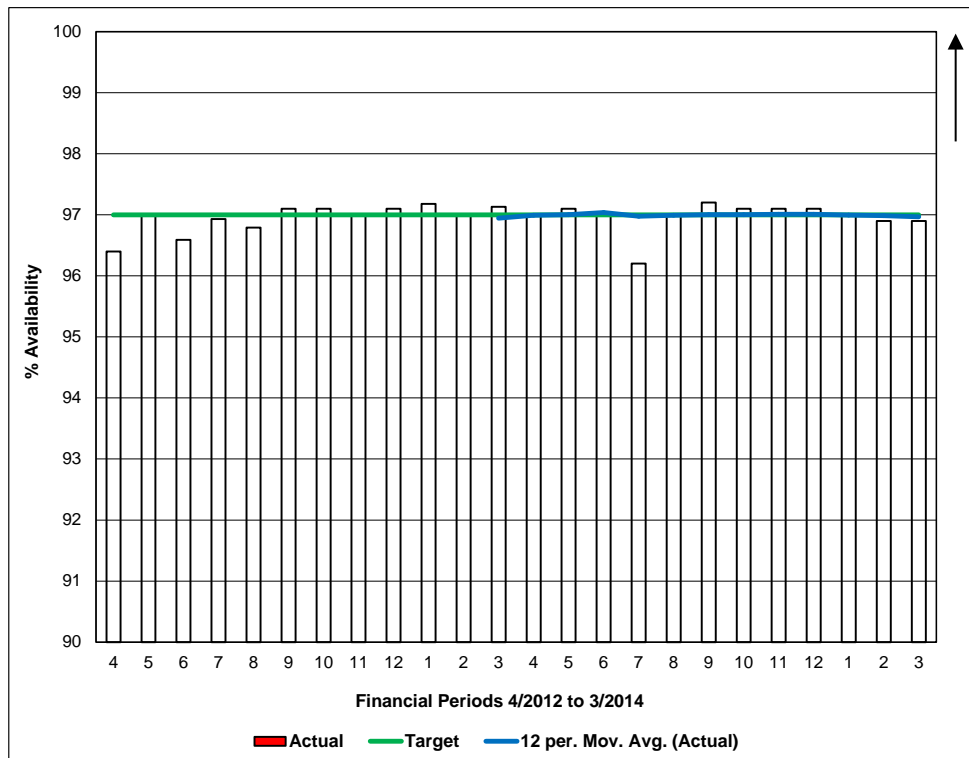
### 2.8.1 – Elevator Availability



Performance in Period 3 fell below target for the second consecutive period.

Elevator maintenance was completed as planned and scheduled during Period 3; however, the overhaul project at Main Station continued during this period, which caused overall performance to fall below target.

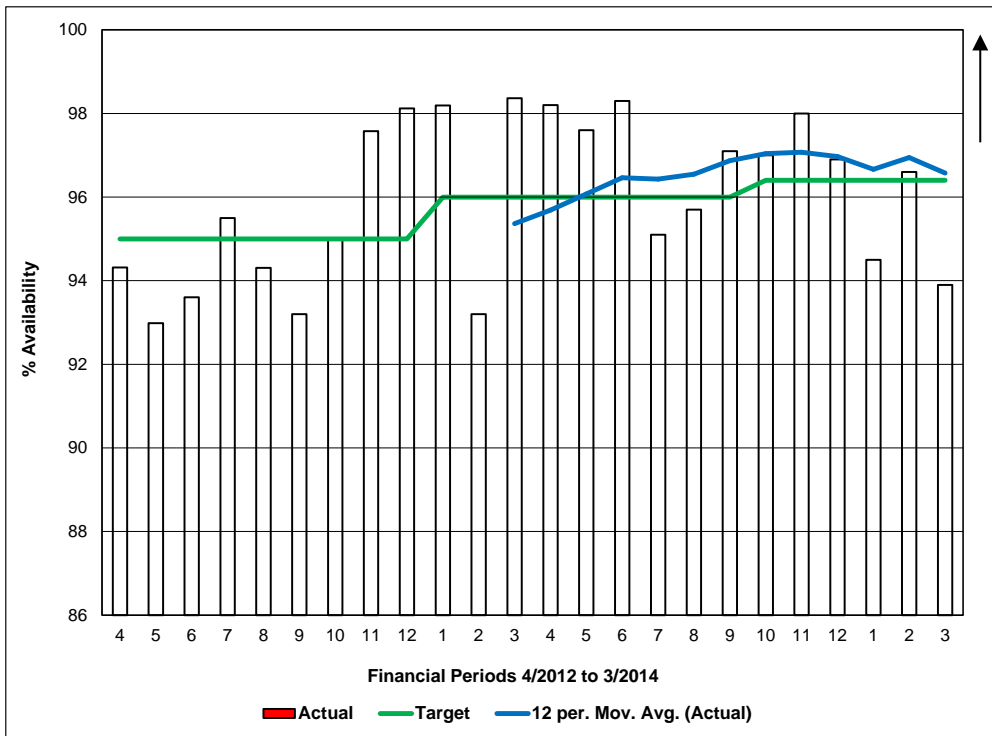
### 2.8.2 – Escalator Availability



Performance in Period 3 fell marginally below target for the second consecutive period.

The decrease in performance was due to extended downtime of one escalator at Yonge Station. Electrical problems with the escalator motor were addressed and the unit was returned to service with no further stoppages.

### 2.8.3 – Fare Purchase Opportunity

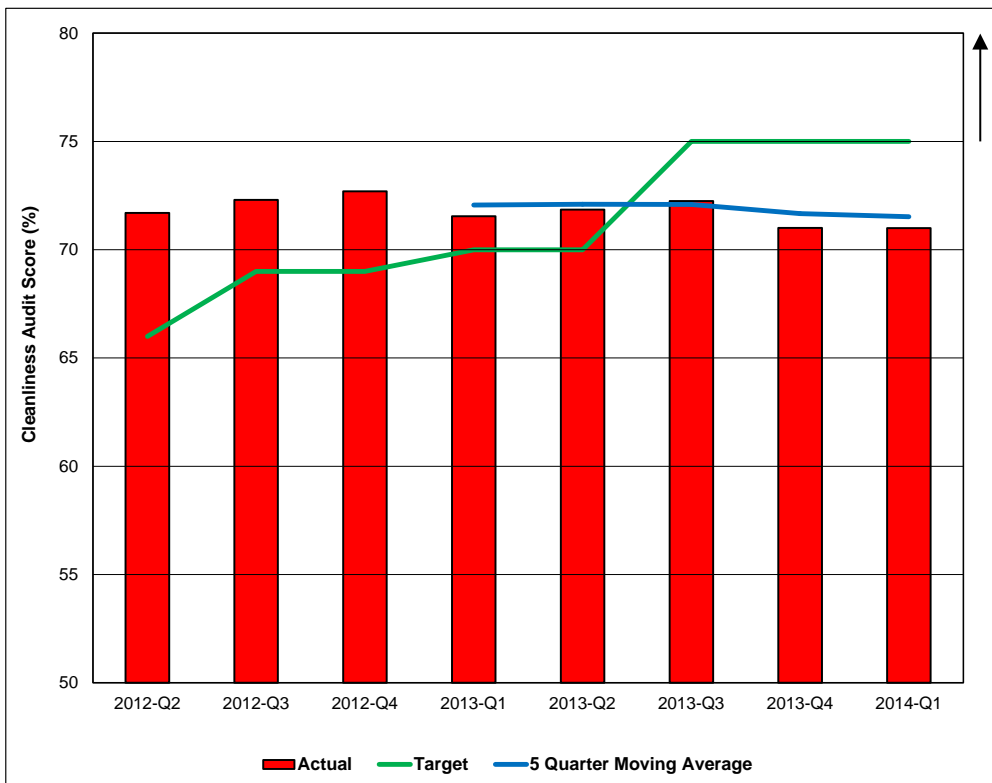


Performance in Period 3 fell below target.

The decrease in performance was due to vandalism of coin acceptors in Token Vending Machines.

### 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.

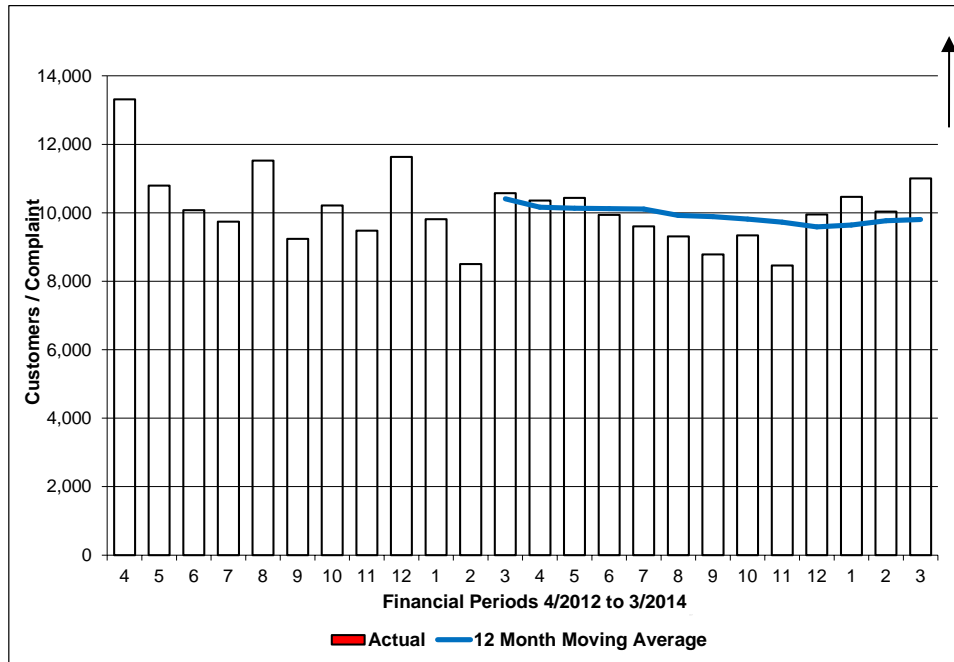
### **2.9.4 – Staff Helpfulness MSS**

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.

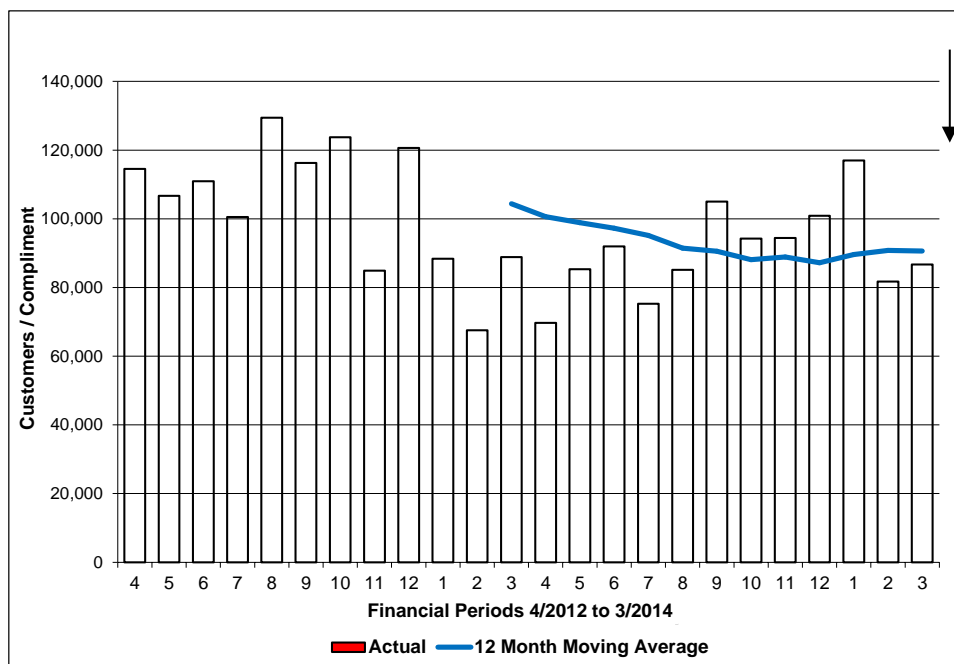
### 3.1 – Customer Complaints



Customers per complaint continue to trend favourably, achieving the best results since year-end, 2012.

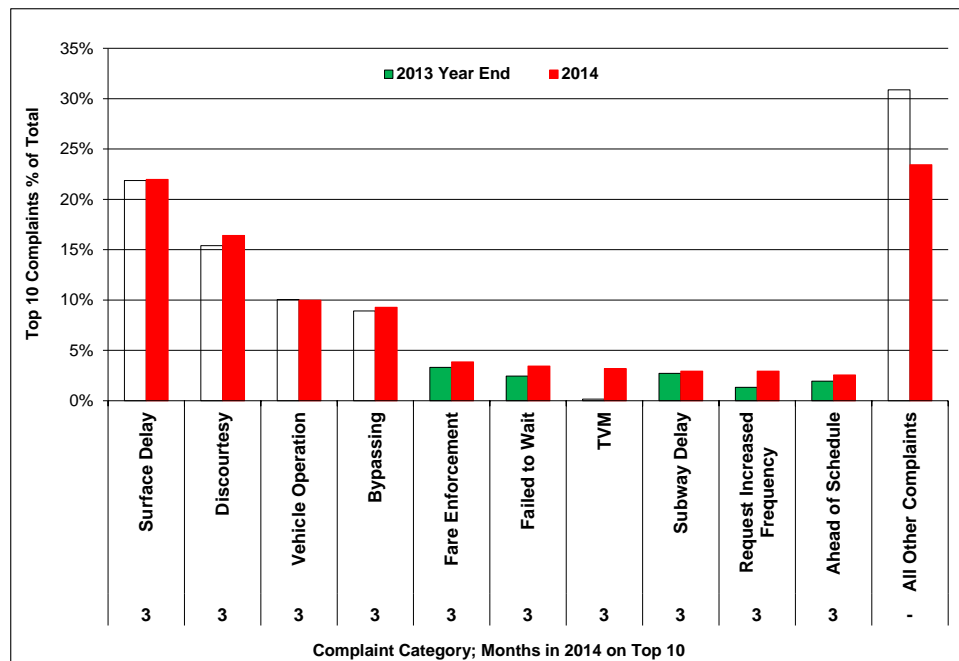
Top 10 complaints are consistent with last period, with slight increases in Discourtesy, Token Vending Machines (TVM), and Request Increased Frequency categories.

### 3.2 – Customer Compliments



Customers per compliment increased slightly (unfavourable) over Period 2, however, overall results continue on a positive trend since late 2013.

### 3.3 – Top Ten Complaints



Top Ten complaints received by TTC are consistent with last period.

Token Vending Machines (TVM) continue to account for 3% of all complaints. Although TTC has increased surveillance and several arrests have been made, machines continue to be vandalized.

### 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 last year, 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. 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.

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.
Subway	Line 2 (Bloor-Danforth) Woodbine Stn to Kennedy Stn	May 10/14 – May 11/14 May 24/14 – May 25/14 Jun 14/14 – Jun 15/14	Track Replacement
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
Streetcar	Dundas St. and Spadina Ave. intersection	Jul 14/14 – Aug 30/14	Track Rehabilitation
Streetcar	Queen St. and Broadview Ave. intersection	Jun 30/14 – Jul 25/14	Track Rehabilitation

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 3 (April 5), total revenues were \$5.1 million (1.7%) below budget primarily due to 2.1 million (1.5%) fewer customer journeys than planned and a slightly lower average fare (0.93¢ or 0.4%) stemming from marginally higher (about 1.6%) monthly pass sales. Over the same time period, expenses were \$2.8 million (0.7%) below budget largely due to the timing of certain non-labour expenses.

#### 2014 Year-End Projections

(millions)	Projected	Budget	Variance
<b>2014 TTC Operating Budget</b>			
Customer Journeys (Ridership)	537	540	(3)
Revenue	\$1,160.3	\$1,166.5	(\$6.2)
Expenses	\$1,599.4	\$1,597.6	\$1.8
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 yet-to-be determined outcome of the current union contract negotiations. Once known, that impact will be reported.

#### Passenger Revenues: \$6.7 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 \$6.7 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.

#### Alternate Service: \$3.2 million increase

Waterfront Toronto's (WT) reconstruction of Queens Quay West requires the replacement of all 509 Harbourfront streetcars and some 510 Spadina streetcars with buses. In addition, WT's work at the Queens Quay/Spadina Loop also requires the replacement of 510 Spadina streetcars (south of King Street) with buses. Delays in this work have resulted in unplanned and unbudgeted alternate bus service which is expected to continue to the end of August.

#### Workforce Gapping: \$1.5 million increase

Delays in filling budgeted positions are expected to generate these savings which are net of any projected additional overtime requirements necessitated by these vacancies.

#### Other: \$0.4 million decrease

All other projected changes in other revenues and expenses add up to this favourable variance from budget.



## 4.2 - Wheel-Trans Operating Budget

### 2014 Year-to-Date Results

To the end of Period 3 (April 5), total revenues were slightly (\$15K or 1%) below budget. This reflects increased revenue from 9K (1.1%) more customer journeys being more than offset by a lower average fare (\$0.04 or 2.1%). Over the same period, expenses were \$0.5 million (1.7%) 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

	Projected	Budget	Variance
<b>2014 Wheel-Trans Operating Budget</b>			
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 3 typically reflect lower project activity as early efforts are focussed on setting up schedules and tendering work. Other current period activity includes settlement of 2013 accrued contract payments and continued progress on vehicle and construction contracts already in place.

### 2014 Year-End Projections

(millions)

#### 2014 Capital Program Budget

Base Program	\$1,115.1	\$1,084.0	\$31.1
Toronto-York Spadina Subway Extension (TYSSE)	\$427.3	\$527.6	(\$100.3)
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: \$31.1 million over

The current projected spending on the Base Program is estimated at \$1,115.1 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.

#### Subway Track: \$21.6 million under

The projected under-spending is due to the Davisville Area Rehabilitation Project (DARP). While the detailed design work by the 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.

#### Bridges and Tunnels: \$9.6 million under

The delivery of the Structure Rehabilitation Project is being delayed due to workforce shortage. The workforce complement continues to be a challenge since this type of work requires a highly skilled workforce. On the other hand, staff has been assigned to other pre-requisite requirements for other major high priority projects such as the ATC and Tunnel Liners Projects.

#### 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: \$100.3 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-two trainsets have been accepted into revenue service. This marks the acceptance of the 13<sup>th</sup> 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. An attainable schedule to install low ceiling handholds, exterior door chimes and an additional bungee cord for the inter-car barrier has been established. 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. 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 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 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 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 latest meeting was held on May 1, 2014. Safety walks to identify specific concerns to cyclists and pedestrians are planned after every new construction stage and as required. The next safety walk is scheduled for 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. A meeting with the BIA, Councillors Fletcher and McMahon and the TTC CEO to discuss the Queen/Leslie intersection closure plan was held on May 2, 2014. The spring 2014 project newsletter, including information about the Leslie/Queen intersection closure, was issued on April 30, 2014. The next one is scheduled for early summer 2014. A CEO video was released on May 5, 2014 to explain all TTC construction works along Queen Street and promote local businesses. 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.

### **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. New platform is expected to open to the public summer of 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.

#### **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 Station contract is tendered with work commencing spring of 2014. The contract for Ossington Station was tendered and is expected to be awarded June 2014. The design for Coxwell Station is nearing completion and the work will be tendered May 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 Spadina, Bathurst, Dundas, and 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 Spadina 510 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.