



## Minutes

### Toronto Transit Commission Board

**Meeting No.:** 2079

**Meeting Date:** Wednesday, December 20, 2023

A meeting of the TTC Board was held in Committee Room 2, City Hall, 100 Queen Street West, and by video conference on Wednesday, December 20, 2023 commencing at 10:08 a.m. The meeting recessed at 12:13 p.m. and reconvened at 1:13 p.m.

#### Present at Public Session

Commissioners:

J. Myers (Chair), J. De Laurentiis (Vice-Chair), P. Ainslie, S. Holyday, F. Jagdeo, J. Matlow, J. Osborne and D. Saxe

Councillor P. Kandavel was also present.

Staff:

R. Leary (Chief Executive Officer), M. Atlas (General Counsel), K. Campbell (Chief Diversity and Culture Officer), G. Downie (Chief Capital Officer), B. Hasserjian (Chief Safety Officer), J. La Vita (Chief Financial Officer), B. Macgregor (Deputy CEO), F. Monaco (Chief Operations and Infrastructure Officer), S. Naraine (Chief People Officer), N. Poole-Moffatt (Chief of Corporate Affairs), W. Reuter (Chief Strategy and Customer Officer (Acting)), J. Taylor (Special Advisor – CEO's Office), R. Wong (Chief Transportation and Vehicles Officer), B. Case (Executive Director - Innovation and Sustainability), A. Gibson (Executive Director - Fare Technology and System Stewardship), L. Lui (Head - Service Planning & Scheduling), D. Shanmuganayagam (Head - Information Technology Services), K. Thorburn (Executive Director - Corporate Initiatives), C. Finnerty (Director - Commission Services), L. Soto Maya (Coordinator - Secretariat Services) and J. Ishak (Administrator - Secretariat Services) were present.

D. Jain (Chair's Office), and C. Alexander (Mayor's Office) were also present.

J. Myers was in the Chair from 10:00 a.m. to 12:08 p.m. J. De Laurentiis assumed the Chair at 12:09 p.m to 2:48 p.m. and J. Myers reassumed Chair at 2:49 p.m.

## **Land Acknowledgement**

Chair Myers acknowledged that the TTC Board was meeting on the traditional territory of many nations including the Mississaugas of the Credit, the Anishnabeg, the Chippewa, the Haudenosaunee and the Wendat peoples and is now home to many diverse First Nations, Inuit and Métis peoples. He also acknowledged that Toronto is covered by Treaty 13 with the Mississaugas of the Credit.

## **Declaration of Interest – Municipal Conflict of Interest Act**

Nil

## **Public Presentations**

Item No. 2. Declaration of Surplus Property - 21 Pleasant Boulevard  
Alan Yule

The Board received the deputation for information (See Item No. 2 for minute)

Item No. 3. Procurement Authorization - Sale and Removal of TTC Buses  
Adam Cohoon  
Zain Khurram

The Board received the deputations for information (See Item No. 3 for minute)

Item No. 5. Staff Recommended 2024 TTC Conventional and Wheel-Trans Operating Budgets and 2024-2033 Capital Budget and Plan  
Alan Yule  
Krissan Veerasingam  
Derek Song  
Noah Pilnitz  
Shelagh Pizey-Allen  
Adam Cohoon  
Rebeena Subadar  
Brad Pearson

The Board received the deputations for information (See Item No. 5 for minute)

Item No. 6. TTC's 2024-2038 Capital Investment Plan: A Review of Unfunded Capital Needs  
Amaan-Ali Iadk  
Zain Khurram  
Derek Song

The Board received the deputations for information (See Item No. 6 for minute)

Item No. 7. Update on the TTC's Next 5-Year Corporate Plan 2024-2028

Kati Gunnell

Eugenio Emilio Ciarlandini

Ryan Harkness

The Board received the deputations for information (See Item No. 7 for minute)

**Presentations/Reports/Other Business**

1. Financial and Major Projects Update for the Period Ended September 30, 2023

Commissioner Osborne moved to adopt the report recommendations, as follows:

It is recommended that the TTC Board:

1. Approve the 2023 Capital Budget in-year budget adjustments to offset projects that have had accelerated spending by \$61.5 million with projects that have experienced delays and lower spending by \$61.2 million with no debt impact, as outlined in Appendix 3 of this report.
2. Authorize the recommended budget adjustments noted in Recommendation 1 above and in TTC's 2023-2033 Capital Budget and Plan be included in the TTC's Capital Variance Report submission for the nine months ended September 30, 2023 for City Council consideration and approval.

The motion by Commissioner Osborne carried.

Approved

2. Declaration of Surplus Property – 21 Pleasant Boulevard

Commissioner Saxe moved the following motion:

That the following recommendations be deleted and replaced as follows:

- ~~d. TTC and CreateTO will explore the opportunity together, acting reasonably, of including the future installation of a facility to support TTC's bus electrification initiative at this location,~~
- d. TTC will have an option for any future development of the property to include a facility to support TTC's bus electrification or other TTC initiatives, and
- ~~e. TTC will request additional funds for TTC's Operating Budget from the City to compensate for the lost rental income from 21 Pleasant Boulevard; and~~
- e. TTC to receive compensation (indexed to inflation) from the City to compensate for any lost rental income and for property value from 21 Pleasant Boulevard;

The motion by Commissioner Saxe carried.

Chair Myers moved to adopt the report recommendations as amended, as follows:

It is recommended that the TTC Board:

1. Declare the property at 21 Pleasant Boulevard, owned by the TTC and currently leased to Toronto Parking Authority for the purposes of operating a 5-storey public parking structure, as surplus to the operational needs of the TTC, subject to the retention of a stratified fee simple interest for the Line 1 subway infrastructure.
2. Authorize the release of the property to the City of Toronto for redevelopment by CreateTO, on the following conditions:
  - a. TTC, Toronto Parking Authority and CreateTO, or one of its corporate entities enter into a new agreement for the continued, interim use of the property for a public parking structure and that TTC continues to receive rent revenue in the amount of \$0.196 million from Toronto Parking Authority until operation of the parking structure is deemed impractical due to either the condition of the structure or the impact of redevelopment activities;
  - b. TTC is not responsible for the cost of maintenance, security or demolition of the structure or any other costs associated with the redevelopment;
  - c. The development is subject to the TTC Technical Review process and all requirements arising from this process, including but not limited to the dedication of a negative support easement, TTC capital upgrades and obligations to protect existing TTC infrastructure;
  - d. TTC will have an option for any future development of the property to include a facility to support TTC's bus electrification or other TTC initiatives, and
  - e. TTC to receive compensation (indexed to inflation) from the City to compensate for any lost rental income and for property value from 21 Pleasant Boulevard; and
  - f. All terms and conditions are satisfactory to TTC's General Counsel.

The motion by Chair Myers carried.

Amended

### 3. Procurement Authorization – Sale and Removal of TTC Buses

Commissioner Saxe moved the following motion:

2. Before selling the Nova buses under this contract, request staff to issue a publicly advertised Request for Expression of Interest to identify potential parties who will re-use, repair and/or refurbish TTC decommissioned buses, in order to prolong the useful life of these assets and their contribution to the circular economy, on terms that allow potential parties to acquire various bus quantities.
3. Authorize staff to sell remaining decommissioned TTC buses for recycling/scrap only after making reasonable efforts to identify parties that will re-use, repair and/or refurbish the buses under the Langille's contract per recommendation
4. The TTC Board request staff to retain one Orion bus for historical purposes, and reach out to the Halton Rail Museum to determine their interest in obtaining a bus.

Commissioner Holyday requested a recorded vote.

In favour: P. Ainslie, J. De Laurentiis, F. Jagdeo, J. Matlow, J. Myers, J. Osborne, D. Saxe

Opposed: S. Holyday

Absent: R. Lalonde, C. Moise

The motion to adopt carried on a vote of 7 to 1.

Chair Myers moved the following motion:

The TTC Board direct the Chief Executive Officer, in consultation with the General Manager, Shelter, Support, and Housing Administration at the City of Toronto, to explore the feasibility of utilizing decommissioned buses on a temporary basis as mobile warming and/or cooling centres before they are disposed of and report back to the TTC Board in Q2 2024.

Commissioner Holyday requested a recorded vote.

In favour: P. Ainslie, J. De Laurentiis, J. Matlow, J. Myers, J. Osborne, D. Saxe

Opposed: S. Holyday F. Jagdeo

Absent: R. Lalonde, C. Moise

The motion to adopt carried on a vote of 6 to 2.

Chair Myers moved to adopt report recommendations as amended, as follows:

It is recommended that the TTC Board:

1. Authorize the award of a contract for the sale and disposal of up to 915 TTC buses for a five-year term commencing upon notification of award to Langille's Scrap & Cores Inc. in the total amount of \$5,673,283.65 in revenue proceeds, inclusive of HST.
2. Before selling the Nova buses under this contract, request staff to issue a publicly advertised Request for Expression of Interest to identify potential parties who will re-use, repair and/or refurbish TTC decommissioned buses, in order to prolong the useful life of these assets and their contribution to the circular economy, on terms that allow potential parties to acquire various bus quantities.
3. Authorize staff to sell remaining decommissioned TTC buses for recycling/scrap only after making reasonable efforts to identify parties that will re-use, repair and/or refurbish the buses under the Langille's contract per recommendation
4. The TTC Board request staff to retain one Orion bus for historical purposes, and reach out to the Halton Rail Museum to determine their interest in obtaining a bus.
5. The TTC Board direct the Chief Executive Officer, in consultation with the General Manager, Shelter, Support, and Housing Administration at the City of Toronto, to explore the feasibility of utilizing decommissioned buses on a temporary basis as mobile warming and/or cooling centres before they are disposed of and report back to the TTC Board in Q2 2024.

The motion by Chair Myers carried.

Amended

*Correspondence submitted by: A. Cohoon*

4. Proxy to Vote TTC Shares in Toronto Coach Terminal Inc.

Commissioner Saxe moved to adopt the report recommendations, as follows:

It is recommended that the TTC Board:

1. Approve the attached proxy to exercise the 10,000 TTC Shares in TCTI.

The motion by Commissioner Saxe carried.

Approved

5. Staff Recommended 2024 TTC Conventional and Wheel-Trans Operating Budgets and 2024-2033 Capital Budget and Plan

J. La Vita, Chief Financial Officer delivered a presentation on this item.

E. J. Miller, Professor Civil & Mineral Engineering, University of Toronto delivered a presentation on this item.

Commissioner Matlow moved the following motion:

The TTC Board requests the TTC CEO to report to the Board in Q3 2024 on the service crowding standard change made in the 2023 budget, including the impacts on riders and TTC finances, and the cost and service implications of reversing that decision in the 2025 budget.

The motion by Commissioner Matlow carried.

Commissioner Ainslie moved the following motion:

That TTC Staff report back in Q2 2024 on the establishment of a Budget Committee.

The motion by Commission Ainslie carried.

Commissioner Saxe moved the following motion:

That staff advise the TTC Board of their specific requests to the City in relation to traffic, on street parking, and the City Building Fund.

The motion by Commission Saxe carried.

Commissioner Holyday moved the following motion:

TTC Board resolve to closely monitor the 2024 financial performance and the resulting draws of the TTC Stabilization Reserve fund, and commit to making in-year adjustments to reduce reliance on the reserve fund as a first priority should there be favorable variances to financial performance.

The motion by Commission Holyday carried.

Chair Myers moved to adopt the report recommendations as amended, as follows:

It is recommended that the TTC Board:

1. Approve a 2024 Operating Budget totalling \$2.568 billion in gross expenditures, \$1.337 billion in revenues and net funding requirement of \$1.231 billion for the TTC comprising the following services:
  - a. 2024 TTC Conventional Operating Service Budget of \$2.404 billion in gross expenditures, \$1.329 billion in revenues and a net funding requirement of \$1.076 billion, as summarized in Appendix B1 of this report; and
  - b. 2024 Wheel-Trans Operating Budget of \$163.6 million in gross expenditures, \$7.9 million in revenues and a net funding requirement of \$155.7 million, as summarized in Appendix B2 of this report.
2. Approve a 2024 year-end workforce complement of 17,508 positions, comprised of 14,422 operating positions and 3,086 capital positions, reflecting an increase of 367 operating positions and 176 capital positions, as summarized in Appendix C of this report;
3. Approve a 2024 Capital Budget of \$1.369 billion and future year planned estimates of \$11.029 billion for a total TTC 2024-2033 Capital Budget and Plan of \$12.398 billion, comprising the following:
  - a. A 2024 Capital Budget of \$1.319 billion and future year planned estimates of \$10.970 billion, for a total TTC 2024-2033 Base Capital Budget and Plan of \$12.289 billion, as outlined in Appendix E of this report; and,
  - b. A TTC 2024 Capital Budget of \$50.02 million and future year planned estimates of \$58.89 million, for a total TTC 2024-2033 Capital Budget and Plan of \$108.91 million for Transit-Expansion-Related Projects, as outlined in Appendix E of this report.
4. Forward this report to the City Budget Committee and the City Manager as the official 2024 Operating Budget and 2024-2033 Capital Budget and Plan submission for the Toronto Transit Commission.
5. The TTC Board requests the TTC CEO to report to the Board in Q3 2024 on the service crowding standard change made in the 2023 budget, including the impacts on riders and TTC finances, and the cost and service implications of reversing that decision in the 2025 budget.
6. That TTC Staff report back in Q2 2024 on the establishment of a Budget Committee.
7. That staff advise the TTC Board of their specific requests to the City in relation to traffic, on street parking, and the City Building Fund.



8. TTC Board resolve to closely monitor the 2024 financial performance and the resulting draws of the TTC Stabilization Reserve fund, and commit to making in-year adjustments to reduce reliance on the reserve fund as a first priority should there be favorable variances to financial performance.

The motion by Chair Myers carried.

Amended

*Correspondence submitted by: D. Singer, M. Alfred, A. Yule, TTC Riders and H. Wilson*

## 6. TTC's 2024-2038 Capital Investment Plan: A Review of Unfunded Capital Needs

Chair Myers moved the following motion:

The TTC Board requests that:

1. TTC Staff report back to the TTC Board in Q2 2024 with a review of the Capital Investment Plan that:
  - a. Identifies unfunded capital needs that are required under legislation and/our direction from Council versus those that are aspirational;
  - b. Prioritizes the unfunded capital needs, with an explanation of the rationale for prioritization within both of these categories; and
  - c. Provides a breakdown of initiatives related to TransformTO.
2. The Province of Ontario fund the cost of building the Scarborough Busway.

The motion by Chair Myers carried.

Chair Myers moved to adopt the report recommendations as amended, as follows:

It is recommended that the TTC Board:

1. Endorse the TTC 2024-2038 Capital Investment Plan of \$47.855 billion, as outlined in Appendix B of this report; and
2. Endorse the TTC 2024-2038 Real Estate Investment Plan Update, including the implementation timeline, as outlined in Appendix D of this report.

3. The TTC Board requests that:

- a. TTC Staff report back to the TTC Board in Q2 2024 with a review of the Capital Investment Plan that:
  - i. Identifies unfunded capital needs that are required under legislation and/our direction from Council versus those that are aspirational;
  - ii. Prioritizes the unfunded capital needs, with an explanation of the rationale for prioritization within both of these categories; and
  - iii. Provides a breakdown of initiatives related to TransformTO.
- b. The Province of Ontario fund the cost of building the Scarborough Busway.

The motion by Chair Myers carried.

Amended

7. Update on the TTC's Next 5-Year Corporate Plan 2024-2028

Vice-Chair De Laurentiis moved to adopt the report recommendations, as follows:

It is recommended that the TTC Board:

1. Receive the interim update report for information.

The motion by Vice-Chair De Laurentiis carried.

Received

*Correspondence submitted by: K. Gunnell.*

On a motion by Commissioner Osborne the meeting adjourned at 5:12 p.m.