

# TORONTO TRANSIT COMMISSION REPORT NO.

**MEETING DATE:** July 23, 2014

**SUBJECT:** Chief Executive Officer's Report – July 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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July 10, 2014

42-81

Attachment: Chief Executive Officer's Report



TORONTO TRANSIT COMMISSION

CHIEF EXECUTIVE OFFICER'S REPORT

JULY 2014 UPDATE



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# TORONTO TRANSIT COMMISSION – MONTHLY SCORECARD



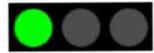
Key Performance Indicator		Description	Frequency	Latest Measure	Current	Target	Current Status	Trend	Ref. #
CSS	Customer Satisfaction Survey		Quarter	Q1	71%	TBD			2.2
Customer Journeys	Customer Trips		Period	P5	41.040M	41.192M			2.3
<b>Punctuality – Subway and Scarborough Rapid Transit (SRT)</b>									
Line 1 (Yonge-Univ-Spadina)	Headway + 3 minutes		Period	P5	94.2%	96.0%			2.4.1
Line 2 (Bloor-Danforth)	Headway + 3 minutes		Period	P5	96.7%	97.0%			2.4.1
Line 4 (Sheppard)	Headway + 3 minutes		Period	P5	99.2%	98.0%			2.4.1
Line 3 (SRT)	Headway + 3 minutes		Period	P5	95.8%	96.0%			2.4.2
<b>Punctuality – Bus, Streetcar, and Wheel-Trans</b>									
Bus	Headway +/- 3 minutes		Period	P5	66.8%	65.0%			2.5.1
Streetcar	Headway +/- 3 minutes		Period	P5	68.6%	70.0%			2.5.2
Wheel-Trans	Within 10 minutes of schedule		Period	P5	81.7%	90.0%			2.5.3
<b>Safety and Security</b>									
Lost Time Injuries	Injuries / 100 Employees		Period	P5	4.04	TBD			2.6.1
Customer Injuries	Injury incidents / 1M Vehicle Boardings		Period	P5	1.30	NA			2.6.2
Behavioural Safety Index	Safety Focused Behaviour		Period	TBD					2.6.3
Offences against Customers	Assault, theft, other		Period	P5	42	NA			2.6.4
Offences against Staff	Assault, threat, other		Period	P5	38	NA			2.6.5
<b>People</b>									
Attendance	Employee Absence		Period	P5	6.18%	< 6.50%			2.7.1
Operator Hires	Actual vs. Budget		Period	P5	74	74			2.7.2

# TORONTO TRANSIT COMMISSION – MONTHLY SCORECARD



Key Performance Indicator		Description	Frequency	Latest Measure	Current	Target	Current Status	Trend	Ref. #
<b>Escalators</b>									
									2.8.1
									2.8.2
									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	P1-5	\$477.5M	\$484.2M				4.1
TTC Operating Expenditure	Actual vs. Budget	Period	P1-5	\$641.3M	\$654.3M				4.1
Wheel-Trans Revenue	Actual vs. Budget	Period	P1-5	\$2.3M	\$2.4M				4.2
W-T Operating Expenditure	Actual vs. Budget	Period	P1-5	\$45.1M	\$46.4M				4.2
Capital Expenditure – Base	Actual vs. Budget	Period	P1-5	\$319.6M	\$438.4M				4.3
Capital Expenditure – TYSSE	Actual vs. Budget	Period	P1-5	\$76.4M	\$241.7M				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

One of the seven strategic objectives of the TTC’s Five-Year Corporate Plan is to improve the company’s reputation. Specifically, the objective is to create an organization that is transparent and accountable, well regarded by stakeholders and peers, and in which employees are proud to play a part. Though this will take time to deliver, an improved reputation is critical to achieving our vision of “a transit system that makes Toronto proud.”

Over the past two years, a lot of effort has been put into making the organization more transparent, accessible, and accountable. We now publish a wide variety of key performance indicators on our website. The report you are now reading has been made more user-friendly and is also available on the TTC website each month. In our subway stations, the local Group Station Manager’s picture is prominently displayed along with details on how to provide feedback on any aspect of our service. We have increased the amount of face-to-face time with customers via regular “Meet the Manager” sessions and quarterly Town Hall meetings that enable us to hear, first-hand, where customers want us to improve. Community relations are equally important. A dedicated unit has been established to improve co-ordination with the City and its agencies so that construction and other large projects are better planned and better communicated to local communities and riders. We are also making real efforts to improve consultation with local Councillors and other stakeholders such as Business Improvement Areas so that they understand and support the need for public transit.

In the end, it is the reliability of our service that has the greatest impact on our reputation and the other six strategic objectives of our plan will help deliver on this.

Customer journeys (ridership) and passenger revenues were marginally below target. This is a continuing 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 but in each case, improved from the previous period. Punctuality continued above target on Line 4 (Sheppard). The improvement in subway performance in Period 5 was not unexpected. A new Deputy Chief Operating Officer has been brought in from London Underground to focus exclusively on subway performance and the new Operations management team is focusing on all aspects of running a subway, including detailed analysis of delay and execution of plans to improve.

Bus punctuality remained above target. Streetcar punctuality and Wheel-Trans punctuality continued to be below target with both services continuing to be negatively impacted by extensive construction work across the city.

Employee absence was below target (favourable) and continues to show short-term improvement. I have given my management team explicit direction that staff attendance must be improved and these efforts are beginning to bear fruit.

Elevator availability and escalator availability remained above target. TVM/PVM availability continued to be 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.

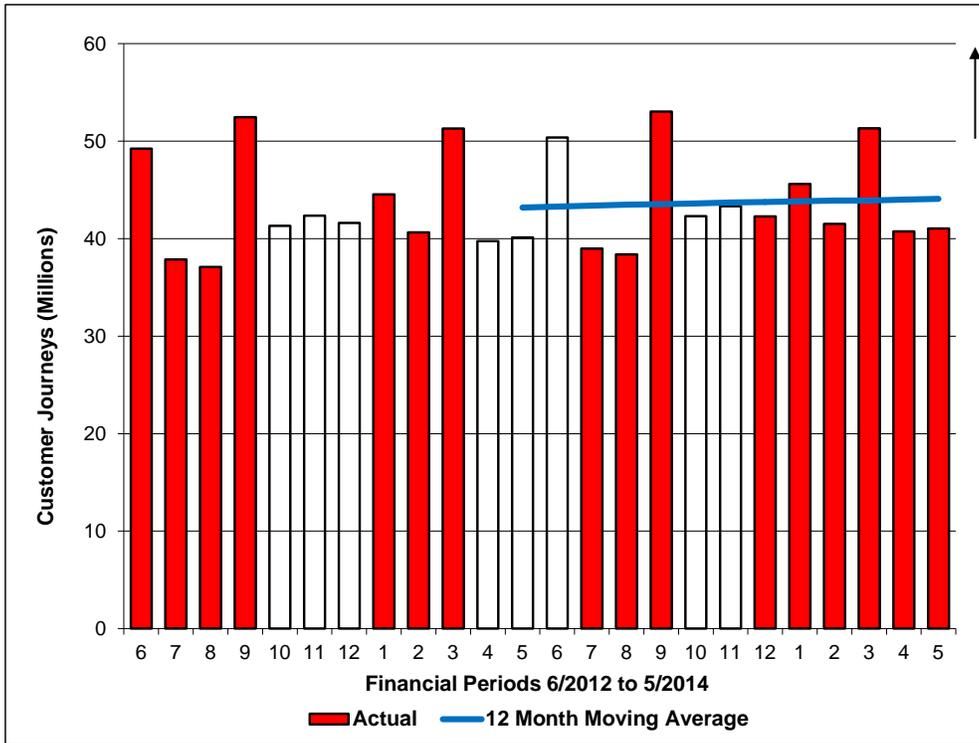
Although there were not significant declines for any of the subway, bus, or streetcar service attributes on an annual basis (Q1 2013 vs. Q1 2014), customer ratings of cleanliness of the subway station and wait time for subway trains have softened compared to Q4 2013.

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.

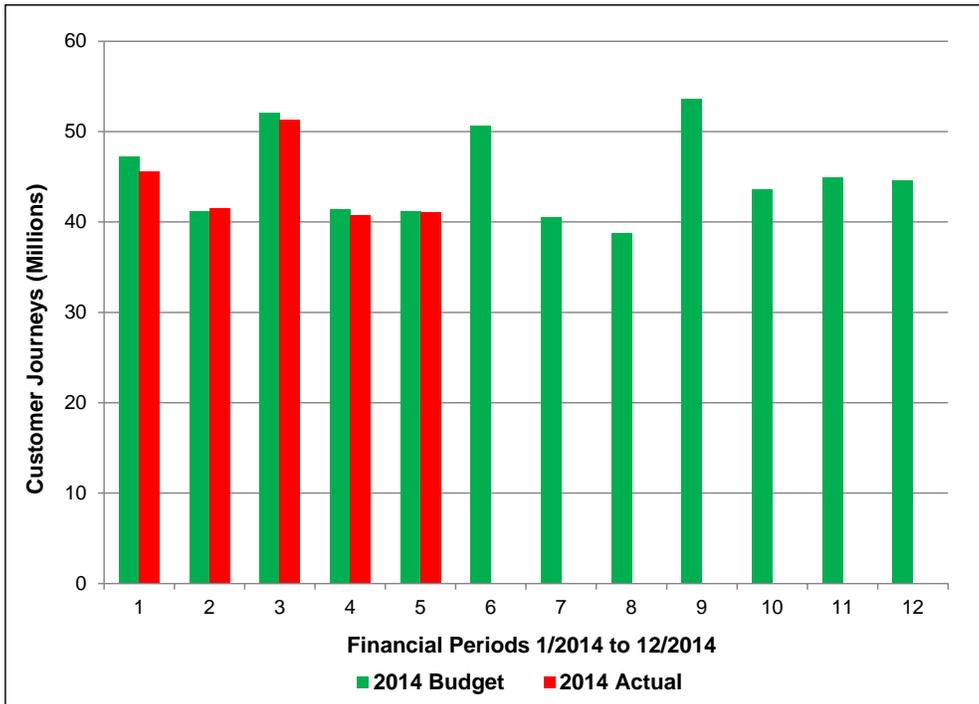
It will take time, funding, and sustained effort to restore people's faith in the TTC, but I am convinced that we are laying the right foundation for this to happen.

### 2.3 – Customer Journeys



There were 41.040M customer journeys (ridership) taken during Period 5 2014, which was 0.926M (+2.3%) more than the 40.114M journeys taken during Period 5 2013.

The annual number of customer journeys to the end of Period 5 2014 was 528.987M, which was 10.680M (+2.1%) more than the 518.307M annual journeys taken to the end of Period 5 2013.



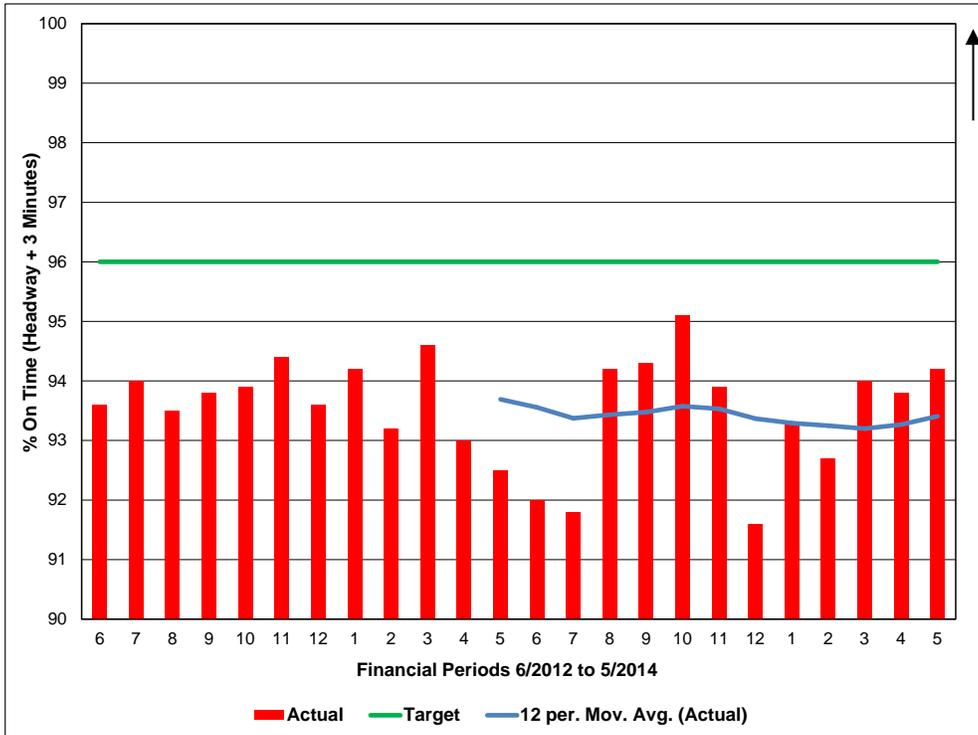
There were 41.040M customer journeys taken during Period 5 2014, which was 0.152M (-0.4%) less than the budget of 41.192M journeys.

The number of customer journeys taken year-to-date to the end of Period 5 2014 was 220.239M, which was 2.962M (-1.3%) less than the budget of 223.201M journeys.

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

### 2.4.1 – Subway

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

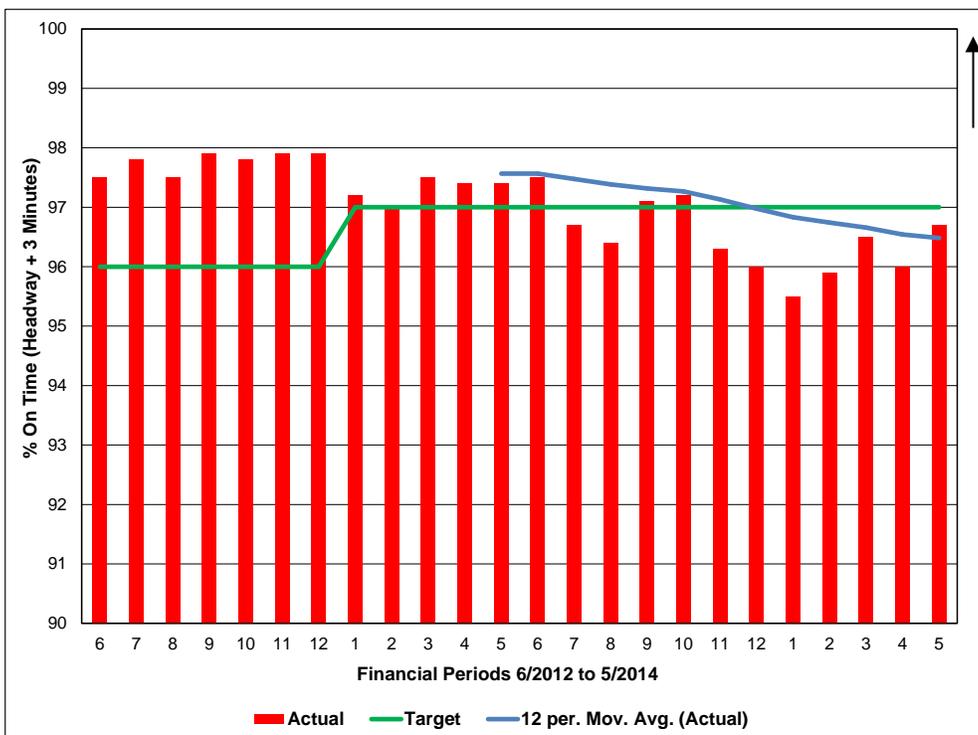


Performance increased in Period 5 but remained well below target.

Service reliability is continuing to be challenged by delays below the 5 minute and 3 minute thresholds; a decrease in 5+ minute delays was observed.

Work continues involving identifying opportunities for scheduling improvements and evaluating the placement of response personnel in an effort to mitigate delays when they do occur.

#### Line 2 (Bloor-Danforth)

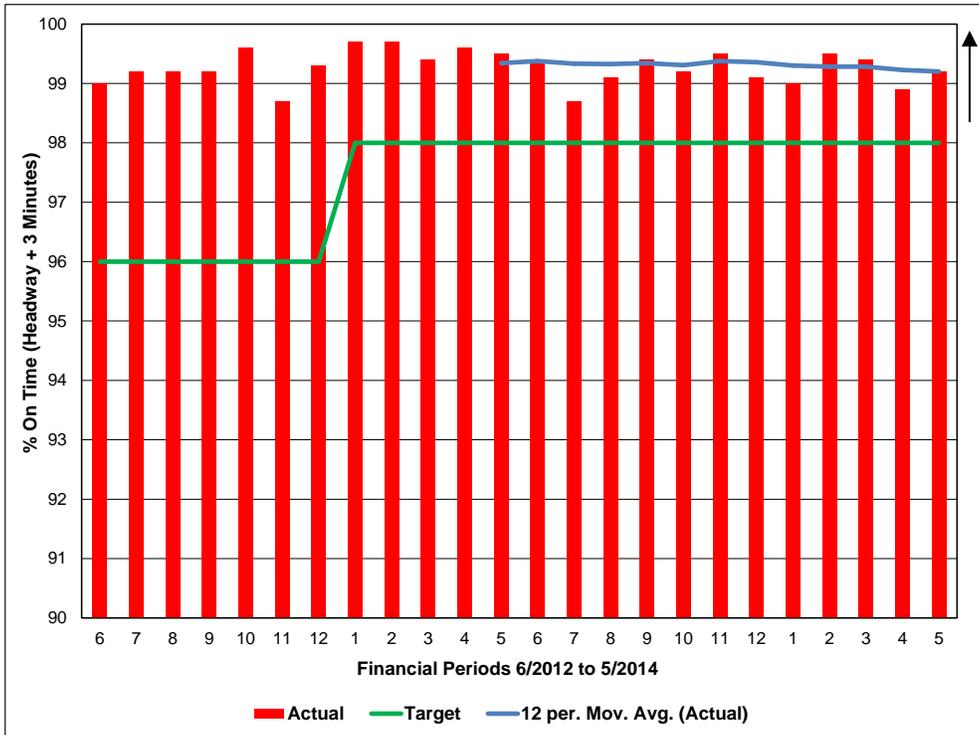


Performance increased in Period 5 but remained below target for the seventh consecutive period.

For delay incidents of 3+ minutes, there are continuing improvements involving Speed Control; however, sub 3 minute delay incidents are a factor in service reliability.

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

### Line 4 (Sheppard)

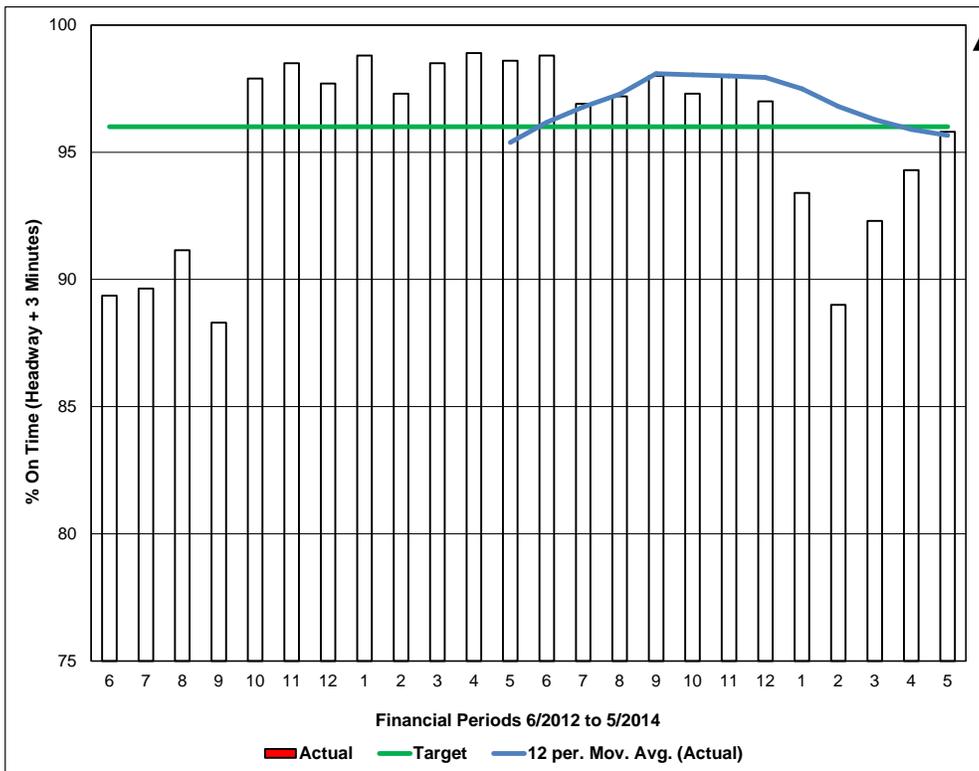


Performance increased in Period 5 and remained well above target.

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)



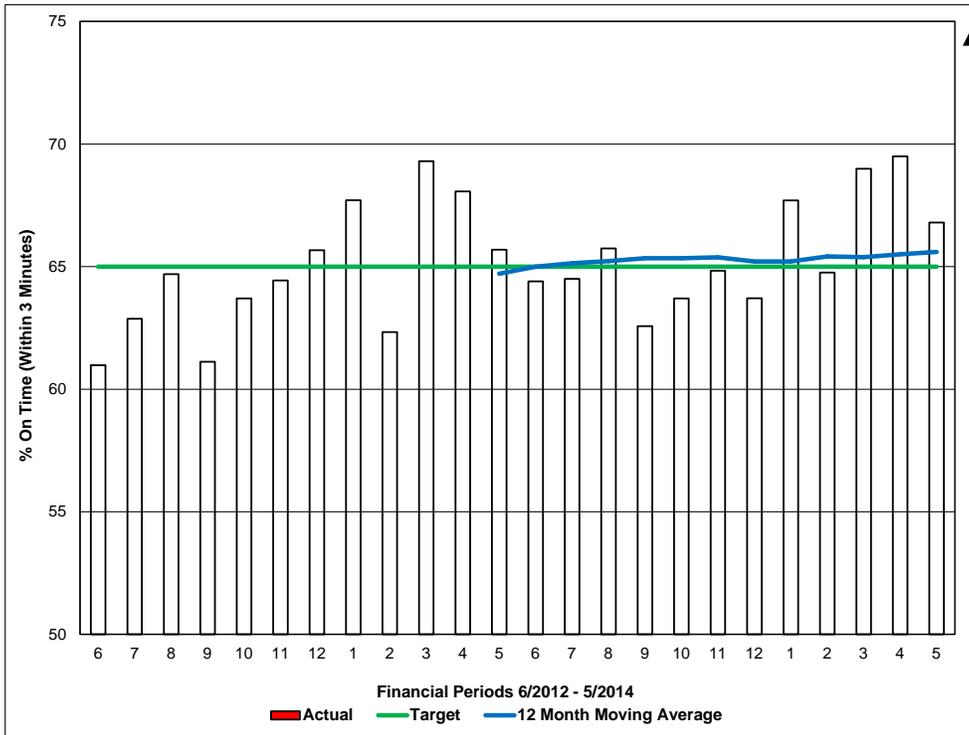
Performance increased in Period 5 for the third consecutive period, falling just below target.

The steady improvement is due, in part, to fewer rolling stock issues and improvement in staff-related incidents.

As reliability continues to improve, headway performance should be above target in Period 6.

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

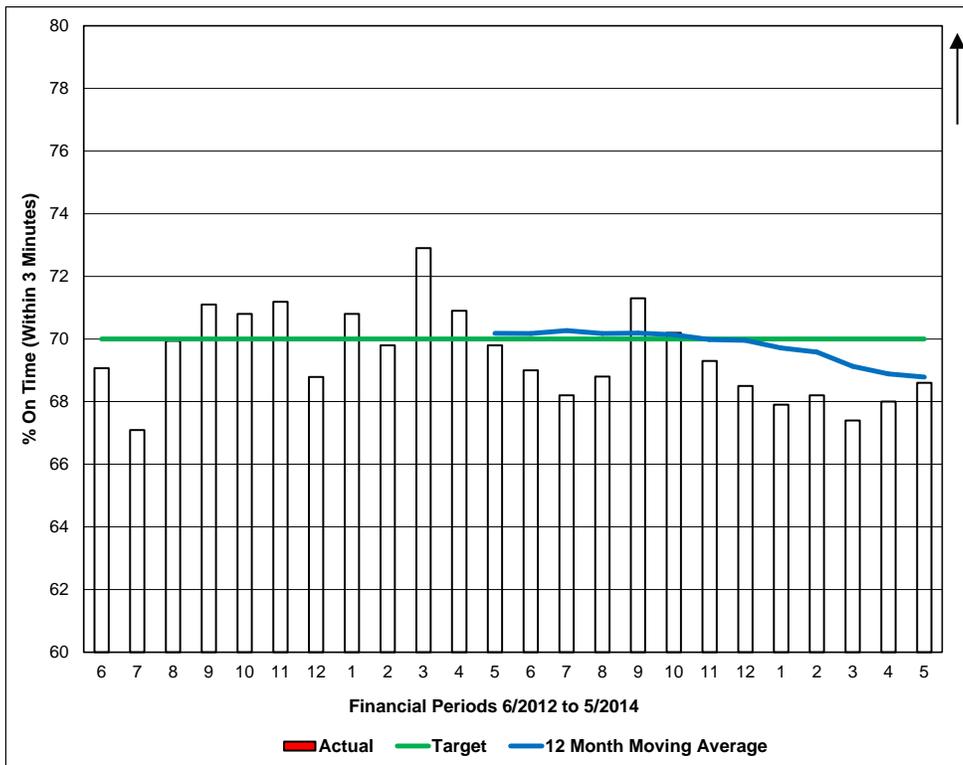
### 2.5.1 – Bus



Performance decreased in Period 5 but remained above target for the third consecutive period.

The marked improvement in performance is a result of ongoing focus on effective route management techniques.

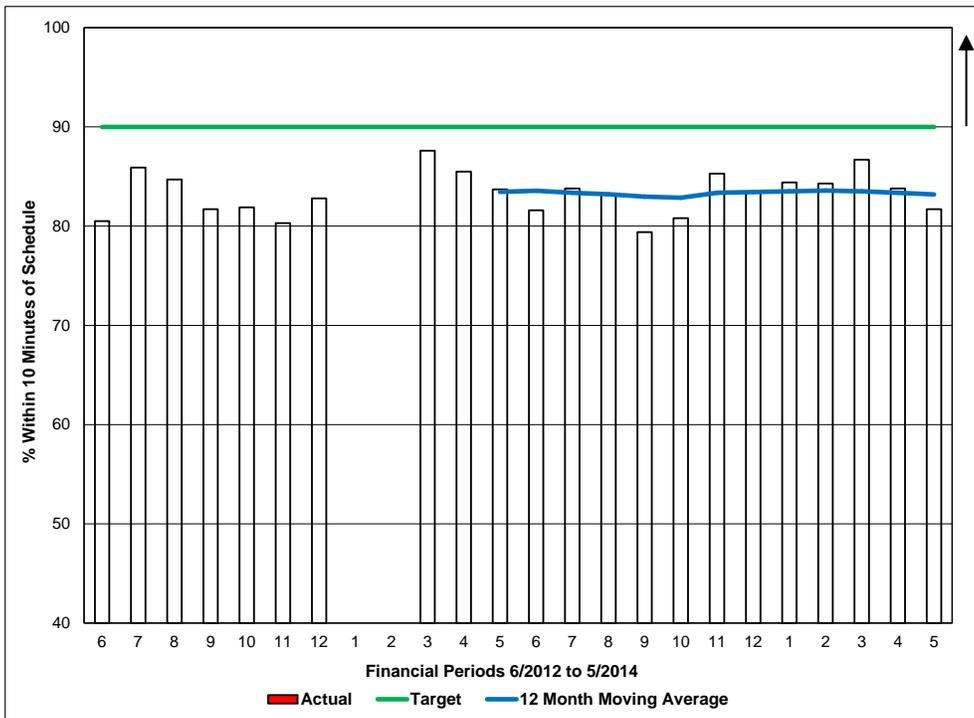
### 2.5.2 – Streetcar



Performance increased in Period 5 but remained below target for the seventh consecutive period.

Various streetcar routes continue to experience disruptions from construction activities in the downtown core. Actions being taken to mitigate these service challenges include scheduling standby streetcars to assist in street changeovers, reducing short turns, and maintaining on time performance goals.

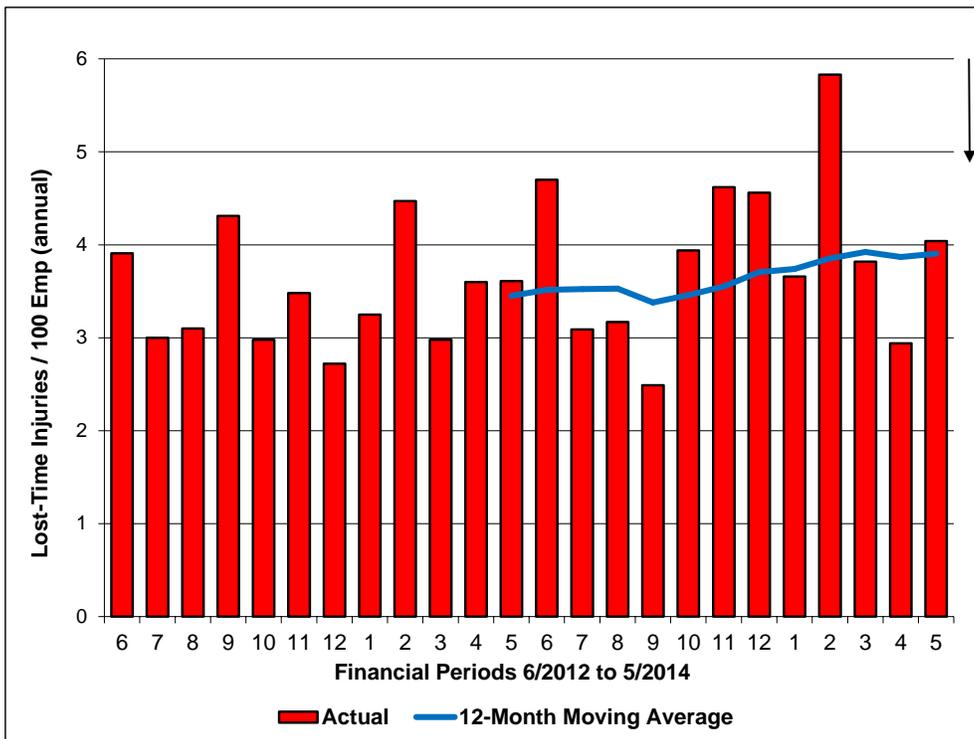
### 2.5.3 – Wheel-Trans



Performance decreased in Period 5 and remained below target.

### 2.6 – Safety and Security

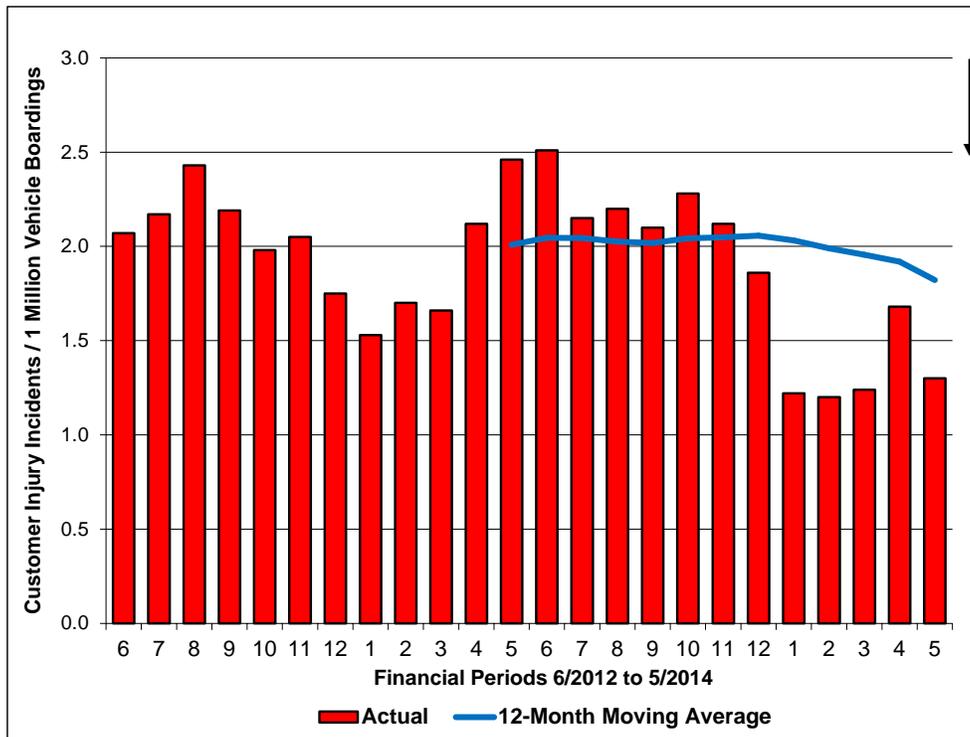
#### 2.6.1 – Lost-Time Injuries (Annual Injuries / 100 Employees)



The annualized lost-time injury rate (LTIR) for Period 5 2014 was 4.04 lost-time injuries per 100 employees, which was 12% higher than the LTIR of 3.61 for Period 5 2013.

The moving annual LTIR to the end of Period 5 2014 was 3.91, which was 13% higher than the corresponding rate of 3.45 to the end of Period 5 2013.

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



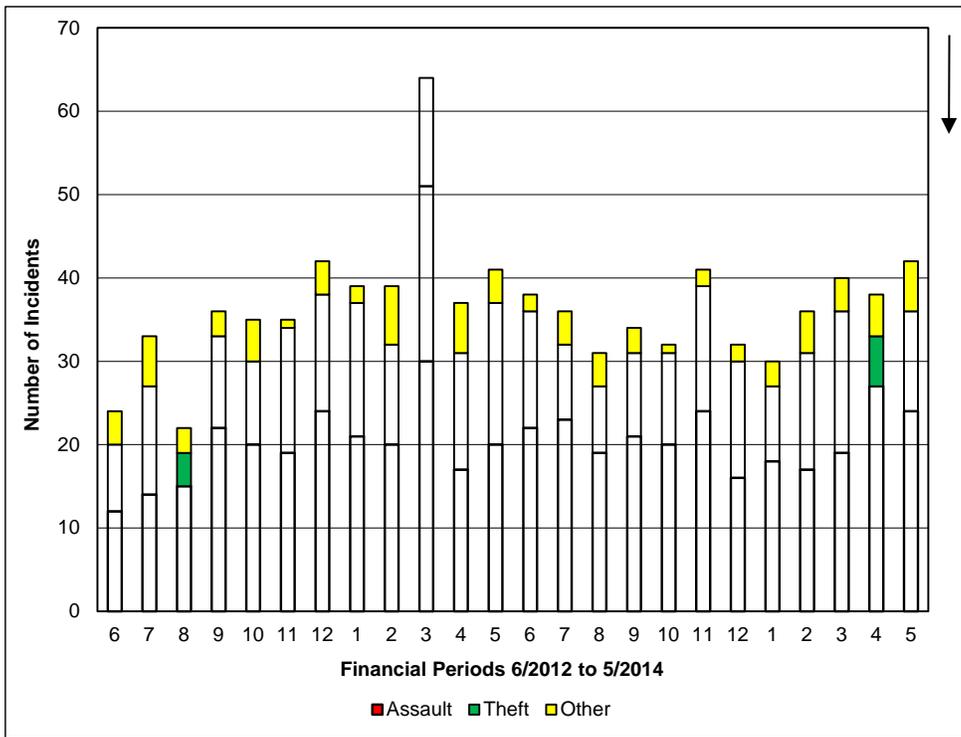
The customer injury incident rate for Period 5 2014 was 1.30 injury incidents per 1 million vehicle boardings, which was 47% lower than the corresponding rate of 2.46 for Period 5 2013.

The moving annual customer injury incident rate to the end of Period 5 2014 was 1.82, which was 9% lower than the corresponding rate of 2.01 to the end of Period 5 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.

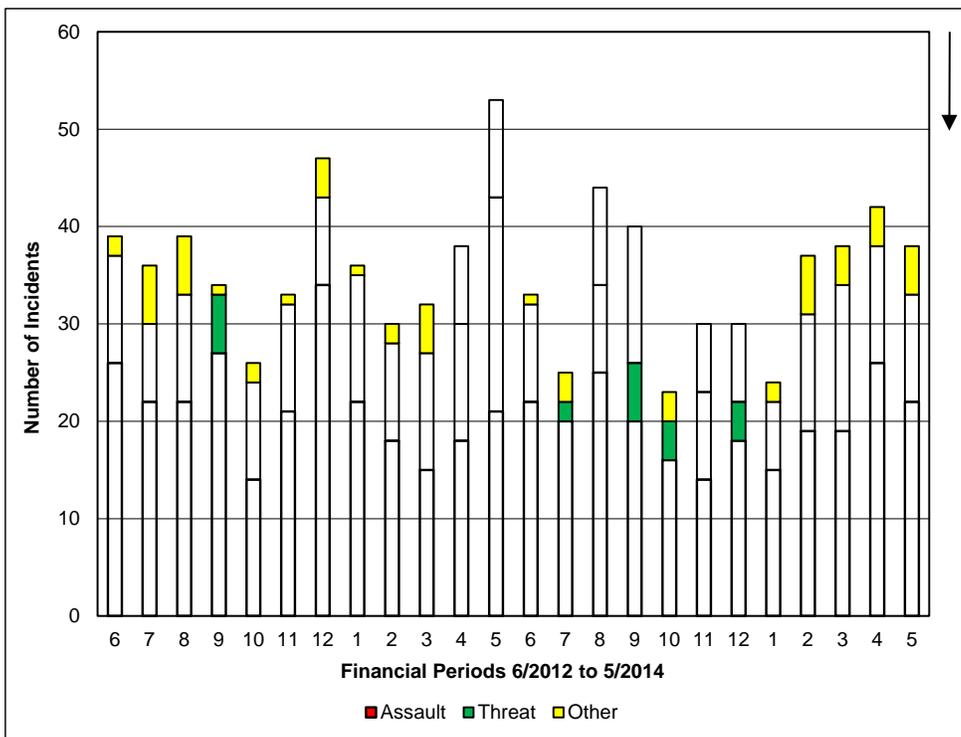
### 2.6.4 – Offences Against Customers



Total offences against customers increased in Period 5.

Year-to-date to Period 5, there were 34 fewer offences (186 vs. 220) compared with the corresponding period in 2013. This includes three fewer assaults (105 vs. 108), 22 fewer thefts and robberies (58 vs. 80), and nine fewer 'other' offences (23 vs. 32).

### 2.6.5 – Offences Against Staff

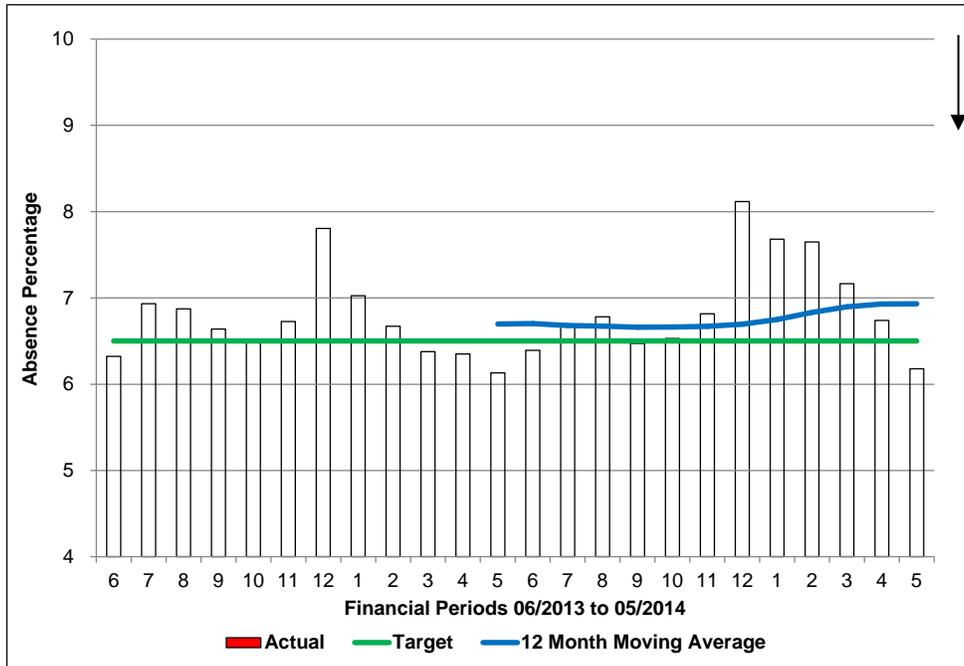


Total offences against staff decreased in Period 5.

Year-to-date to Period 5, there were 10 fewer offences (179 vs. 189) compared with the corresponding period in 2013. This includes seven more assaults (101 vs. 94), 12 fewer threats (57 vs. 69), and five fewer 'other' offences (21 vs. 26).

## 2.7 – People

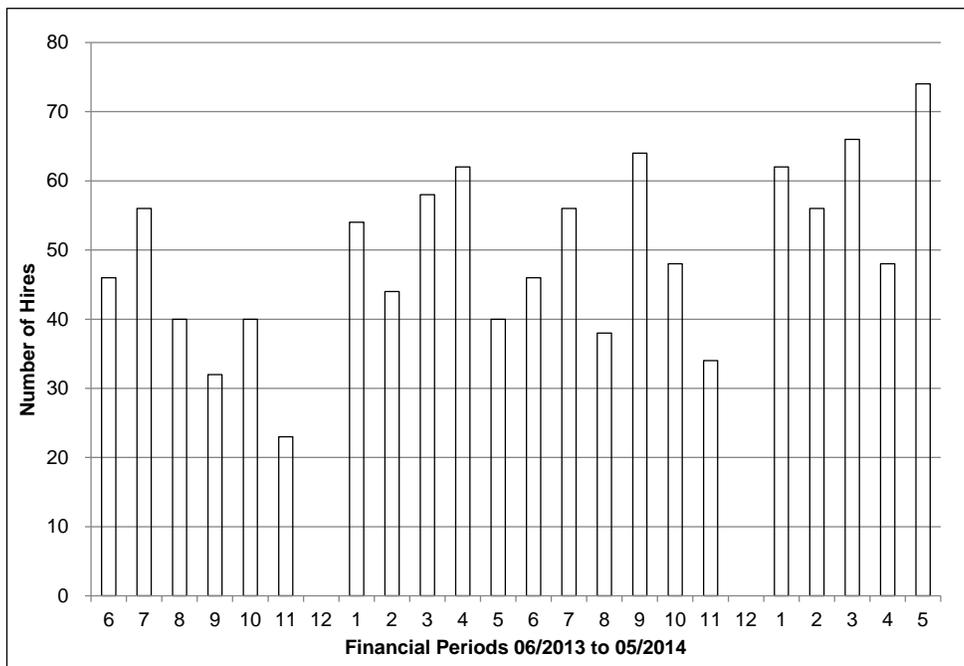
### 2.7.1 – Attendance



The absence rate was below target (favourable) in Period 5 for the first time in eight periods and has decreased for five consecutive periods.

The improved performance since the beginning of 2014 is attributable to sustained efforts to proactively manage employees with problematic attendance records.

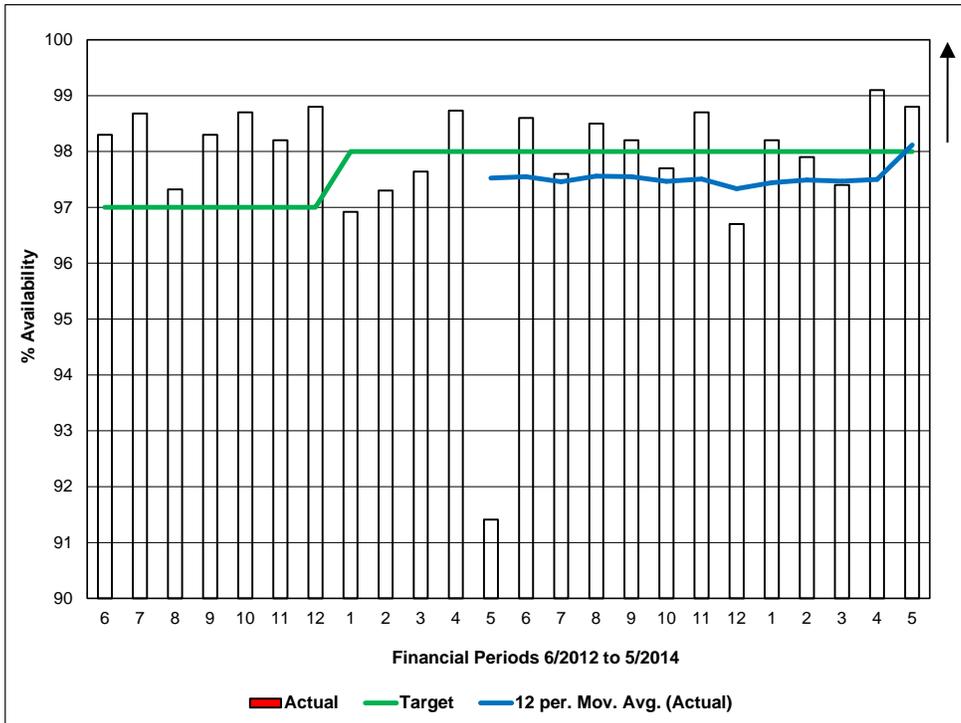
### 2.7.2 – Operator Hires



In Period 5, 74 Operators were hired and began training.

## 2.8 – Device Availability

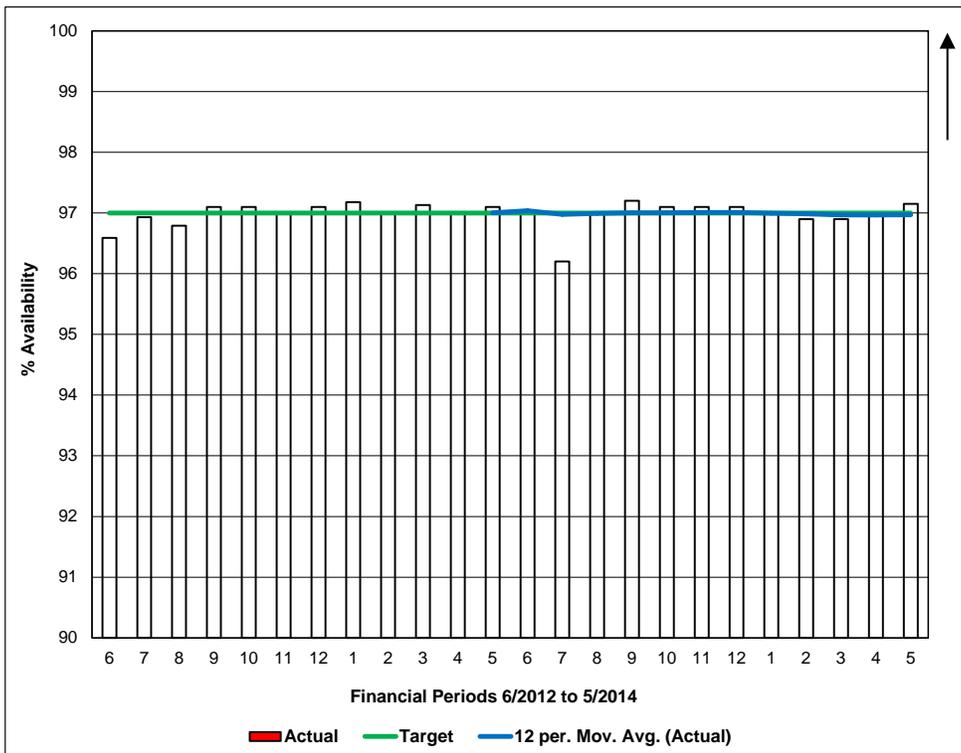
### 2.8.1 – Elevator Availability



Performance was above target in Period 5 for the second consecutive period.

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

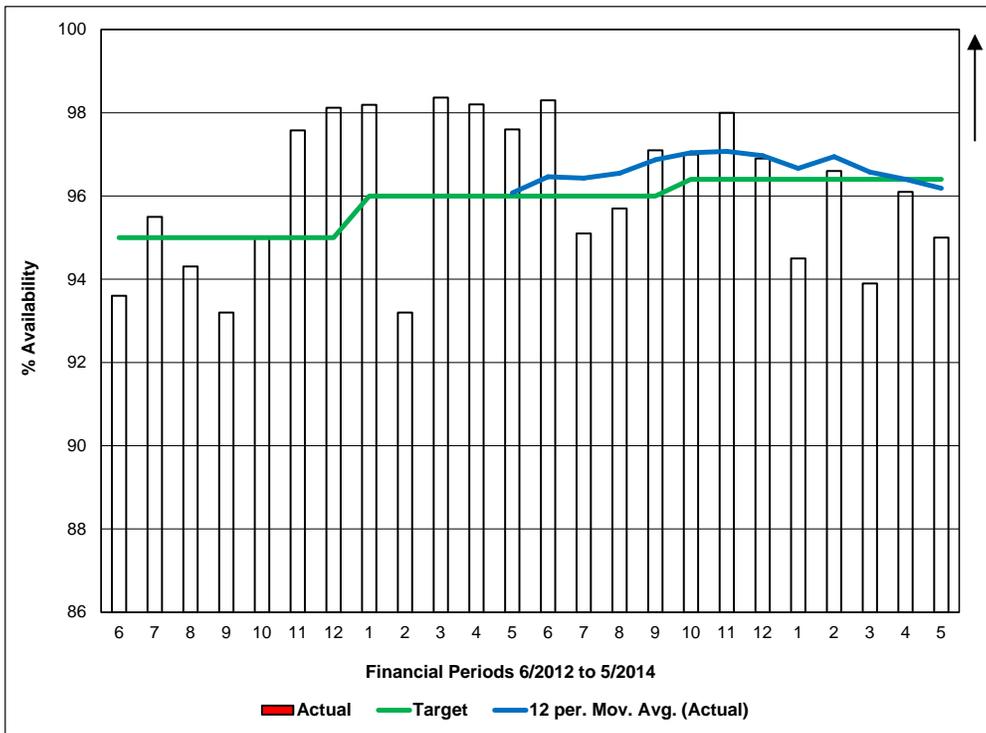
### 2.8.2 – Escalator Availability



Performance achieved target in Period 5 for the second consecutive period.

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

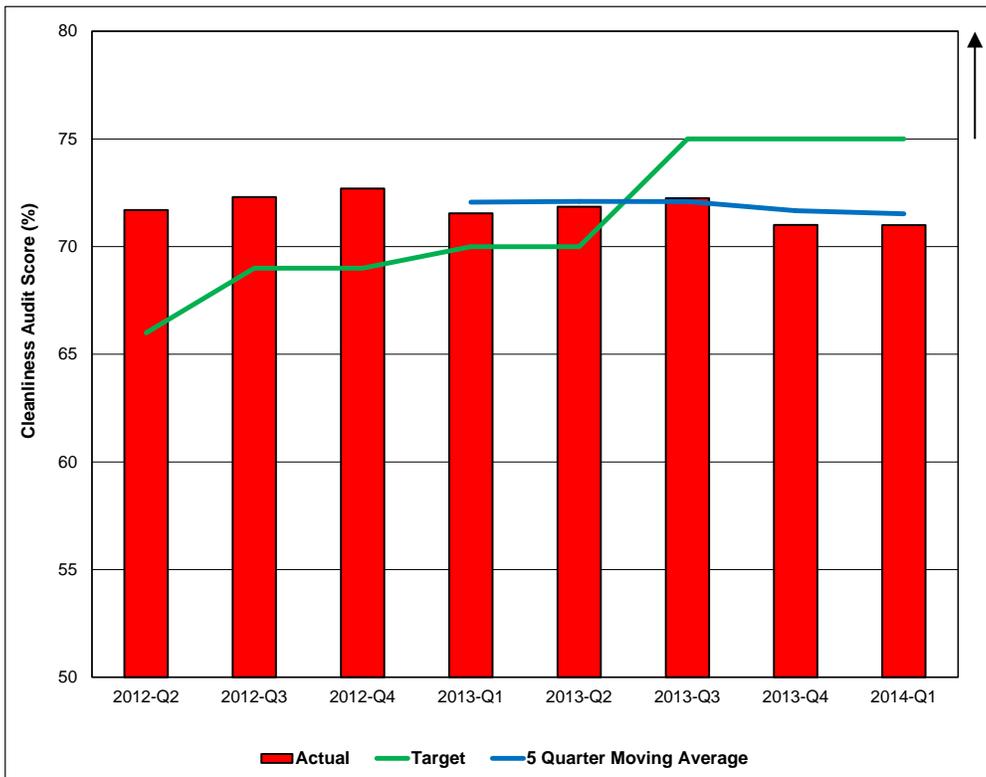


Performance decreased in Period 5 and was below target for the third consecutive period.

The decreased performance was due to problems associated with the new software and recent pin pad upgrade for Pass Vending Machines and vandalism of Token Vending Machine coin acceptors.

### 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.

Q2 results are expected shortly. Feedback from customers is that the stations are noticeably cleaner.

### **2.9.2 – Vehicle Cleanliness**

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

### **2.9.3 – Information MSS**

The data for this index are being gathered and calculated. This information will be presented in a future CEO Report.

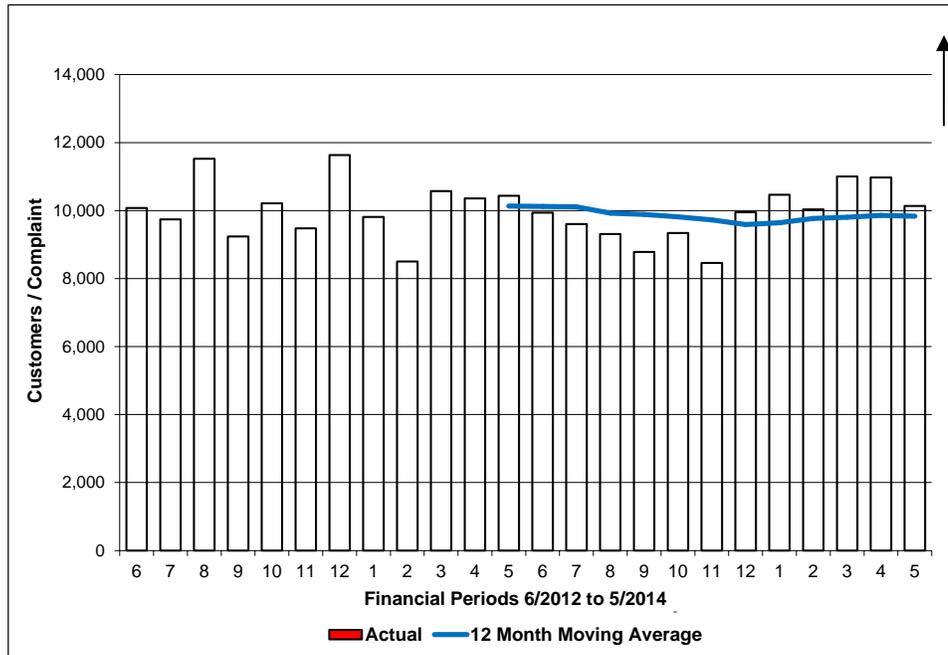
### **2.9.4 – Staff Helpfulness MSS**

The data for this index are being gathered and calculated. This information will be presented in a future CEO Report.

### Part 3 – Customer Measures and Improvement Program Progress

This section provides information on various customer-related issues, including trends for customer complaints and compliments, customer satisfaction improvement initiatives, current major closures, and a progress report on the TTC Customer Charter.

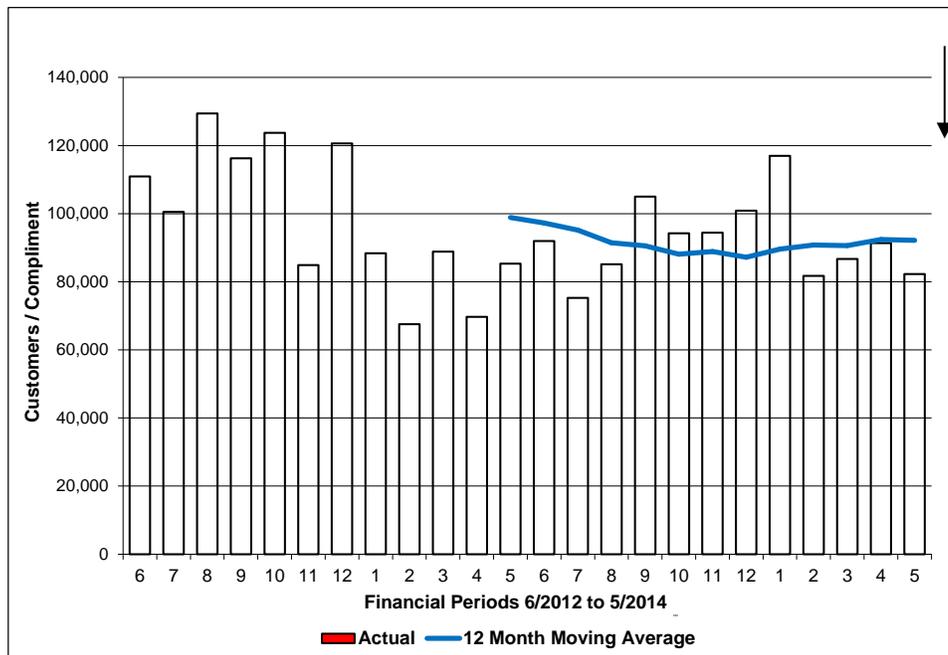
#### 3.1 – Customer Complaints



Customers per complaint trended downwards from last period; however, it remains slightly better than the twelve month average.

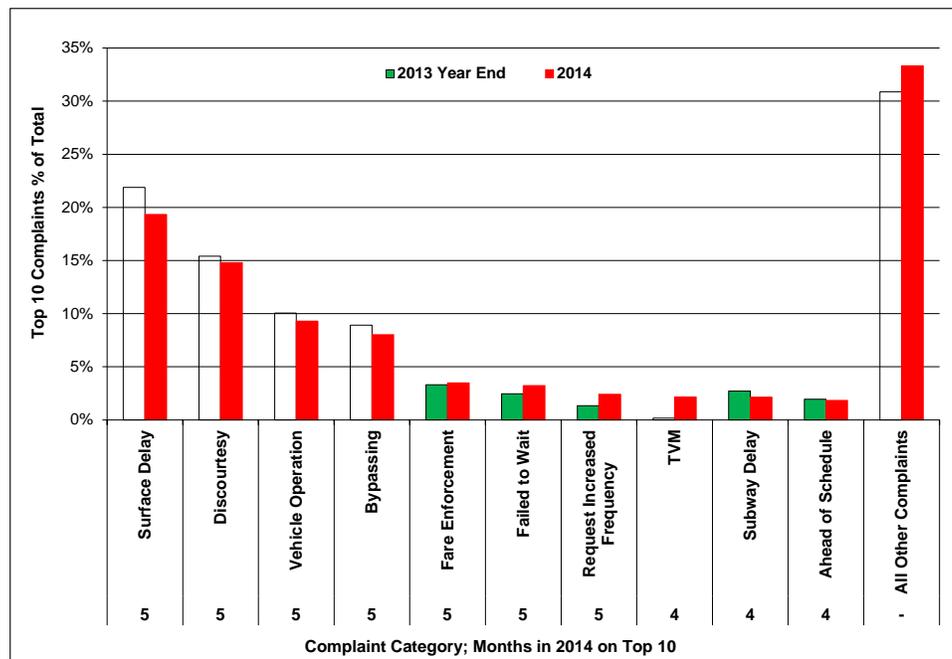
Top 10 complaints are consistent with last period, with improvements in Surface Delay, Vehicle Operation, and Bypassing categories.

#### 3.2 – Customer Compliments



Customers per compliment decreased this period (favourable) after three periods of unfavourable trending.

### 3.3 – Top Ten Complaints



Top 10 complaints were consistent with last period.

There were more complaints regarding Failed to Wait, Request Increased Frequency, and Token Vending Machines.

There were fewer complaints in the three top categories 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's comprised of 39 time-bound commitments that includes 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.

The TTC achieved 10 of 11 Customer Charter commitments for Q2 2014. The ten initiatives included: post two explainer videos online; review new wayfinding signage at Bloor-Yonge and St. George Stations; review new stop pole design used for the 94 Wellesley pilot; establish a special task force to seek long-term capital and operating funding; roll-out of a new uniform to all operators and collectors; all of our collectors will accept debit or credit cards to buy a wider range of tickets, tokens and passes; all pass vending machines will also accept credit cards; fully implemented the support person's identification card program; upgrade speakers in five subway stations; the construction of the St. Clair West Station easier access project will begin; wash and replace bulbs on 25 per cent of the platform lighting. A detailed update of Customer Charter commitments for Q2 2014 is provided in Section 3.6 below.

Acceptance of debit and credit cards to buy a wider range of tickets, tokens, and passes has begun as a pilot at Coxwell and Bathurst Stations. Without the automation that the new integrated point of sale system will introduce, further expansion is not possible although good data is being obtained from these two stations. The integrated point of sale system developed by the contractor did not pass initial certification tests. Modifications are underway by the contractor. Assuming a successful test, the pilot point of sale operation, with full automation, will commence at Coxwell and Bathurst Station Collector Booths on July 16, 2014. A revised completion schedule will be developed after successful completion of the pilot project although full roll out is expected by year-end.

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".

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.

To measure the effectiveness of the new signage, the TTC hired an independent research company to conduct pre-installation and post-installation intercept surveys at Bloor-Yonge Station. The results were positive – almost two-thirds of customers noticed that the wayfinding signs had been recently changed and of those who noticed the change, 77% said the signs have been improved. The majority of respondents also felt the new signs were clear (80%), helpful (85%), simple (89%), legible (93%), and projected a positive and friendly image for Toronto's subway system (91%).

St George Station is currently in progress to receive new wayfinding signage. Once the installation is complete, the intercept surveys will be conducted at St. George Station to measure customer satisfaction with the new wayfinding system.

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, Lawrence, Queen, Main, Chester, and Runnymede.

A Meet the Managers session was also 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
Streetcar	Queen St. and Broadview Ave. intersection	Jun 30/14 – Jul 25/14	Track Rehabilitation
Streetcar	Dundas St. and Spadina Ave. intersection and Spadina Stn	Jul 14/14 – Aug 30/14	Track Rehabilitation & Platform upgrades at station
Subway	Line 2 (Bloor-Danforth) Kipling Stn to Islington Stn	Jul 19/14 – Jul 20/14	Infrastructure Maintenance
Subway	Line 1 (Yonge-University-Spadina) Union Stn to St. Andrew Stn	Aug 16/14 – Aug 17/14	Union Station Second Platform Construction
Subway	Line 1 (Yonge-University-Spadina) Bloor Stn to Eglinton Stn	Aug 23/14 – Aug 24/14	ATC Project & Infrastructure Maintenance

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

### 3.6 – TTC Customer Charter Quarterly Progress Report

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

#### Second Financial Quarter – April 6 to July 5, 2014

Key Area	Our Second Quarter Commitment in 2014	How We Did
Informative	Post two explainer videos online	✓
Informative	Review new wayfinding signage at Bloor-Yonge and St George stations	✓
Informative	Review new stop pole design used for the 94 Wellesley pilot	✓
Responsive	Establish a special task force to seek long-term capital and operating funding	✓
Responsive	Roll-out of a new uniform to all operators and collectors.	✓
Responsive	All of our collectors will accept debit or credit cards to buy a wider range of tickets, tokens, and passes.	x
Responsive	All Pass Vending Machines will also accept credit cards.	✓
Responsive	Fully implemented the support person's identification card program	✓
Accessible & Modern	Upgrade speakers in five subway stations	✓
Accessible & Modern	The construction of the St Clair West Station easier access project will begin.	✓
Clean	Wash and replace bulbs on 25 per cent of the platform lighting	✓

#### **Informative**

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

#### **✓ *Our commitment: post two explainer videos online***

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

#### ***How we met our commitment:***

In Q2, three videos were produced to explain TTC operations, activities, and initiatives:

- April Fool's video to deliver a sobering message about its \$2.7 billion capital funding shortfall, garnering some 31,000 views.
- Explainer video about the various closures along Queen St. East.
- On June 17, the original Queen video was edited and revised, focusing solely on the Broadview-Queen closure of June 30-July 25.

#### **✓ *Our commitment: review new wayfinding signage at Bloor-Yonge and St. George Stations***

By the second quarter, we will know if our new wayfinding signage at Bloor-Yonge and St. George Stations has improved customers' ability to find their way. We will use this learning to improve signage at all TTC subway stations.

#### ***How we met our commitment:***

- New wayfinding signage was implemented at Bloor-Yonge and St. George Stations (Bloor-Yonge complete, St. George in progress).
- Introduced new 'You Are Here' maps on Line 1 YUS and Line 2 BD.
- Audible announcements now include mention of the new subway line numbers.

- Explainer video posted on March 3rd detailing the benefits of the new signage.
- Launched detailed web page with the benefits and objectives of the new signage.
- Conducted pre and post intercept surveys to gauge customer reaction to the new wayfinding signage at Bloor-Yonge Station. Reported that overall customer response was positive and well received.
- Received additional customer comments via a dedicated email address – wayfinding@ttc.ca.
- Incorporated customer feedback into our design refinements for system-wide roll-out.

✓ ***Our commitment: review new stop pole design used for the 94 Wellesley pilot***

By the second quarter, we will determine whether the new stop pole design used for the 94 Wellesley pilot was helpful to our customers and if it should be expanded to all TTC routes.

***How we met our commitment:***

- Customer research, both online and on street intercept surveys, have found overwhelming support for the new stop pole designs. Specifically, and as expected, the inclusion of route numbers found to be of critical importance. Furthermore, the inclusion of next vehicle prediction was well received.
- Overall the layout of the new stop poles was found to be easier to understand and likely to encourage customers to travel more frequently.

Replacement or overhaul of stop poles is being planned and included in future budgets and the new design will be used for the replacement of damaged stop poles. Some small changes will be made as a result of direct customer feedback and to ensure integration with our new TTC system map.

**Responsive**

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

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

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

***How we met our commitment:***

- Task Force established.
- Progress on hold due to the Provincial election.
- Following the Provincial election, meetings are being arranged with appropriate Provincial officials.

✓ ***Our commitment: roll-out of a new uniform to all operators and collectors***

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

***How we met our commitment:***

- As of March 31, the TTC has issued all Janitors with uniforms.
- Roll-out of Operators and Collectors uniforms has begun.
- New red baseball hats and all season jackets have been issued to staff. Remaining uniform pieces are being manufactured and will be issued when available.

***✗ Our commitment: all of our collectors will accept debit or credit cards to buy a wider range of tickets, tokens, and passes***

By the second quarter, we will make purchasing your TTC fare as easy as possible. All of our collectors will accept debit or credit cards to buy a wider range of tickets, tokens and passes.

***How we did not meet our commitment:***

- Acceptance of debit and credit cards to buy a wider range of tickets, tokens and passes has begun, as a pilot at Coxwell and Bathurst Stations.
- Without the automation that the new integrated point of sale system will introduce, further expansion is not possible although good data is being obtained from these two stations.
- The integrated point of sale system developed by the contractor did not pass initial certification tests. Modifications are underway by the contractor.
- Assuming a successful test, the pilot point of sale operation, with full automation will commence at Coxwell and Bathurst Station Collector Booths on July 16, 2014.
- A revised completion schedule will be developed after successful completion of the pilot project although full roll out is expected by year end.

***✓ Our commitment: all Pass Vending Machines will also accept credit cards***

By the second quarter, all Pass Vending Machines will also accept credit cards.

***How we met our commitment:***

- Completed: All Pass Vending Machines accept credit cards.

***✓ Our commitment: fully implement the support person's identification card program***

By the end of the second quarter, we will have fully implemented the support person's identification card program where no fare is charged for a support person travelling with a customer with disabilities.

***How we met our commitment:***

- The support persons ID card was successfully rolled out across the TTC system to approximately 5,000 people.
- Customers were able to attend any of the eight events held at four stations at the beginning of 2014, visit the Davisville Customer Service Centre or mail in appropriate photographs and proof of eligibility.

**Accessible and Modern**

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

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

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

***How we met our commitment:***

- PA system upgrades have been completed in 14 subway stations: Islington, Victoria Park, Greenwood, King, Queen, Osgoode, Jane, Donlands, Broadview, York Mills, Museum, St. Patrick, St. Andrew, and Davisville.
- Wilson, Eglinton West, Finch, Kipling, Chester, and Dupont Stations are currently ongoing.
- Scope of work includes: Replace old speakers with new and high quality speaker units. Install new sound compensating system for platform areas to overcome train noise. Recalibrate the PA system and adjust the

graphic equalizer for optimum sound quality based on the station acoustics, and set up all speakers to a uniform sound level for automated announcements and record the set up values.

✓ ***Our commitment: the construction of the St. Clair West Station easier access project will begin***

In the second quarter, the construction of the St Clair West Station easier access project will begin. This project will also include new elevators, accessible fare gates, and automatic sliding doors to enter the station.

***How we met our commitment:***

- The construction phase of the St. Clair West Station Easier Access project has begun and mobilization of the contractor on site has occurred.
- A community information session and open house was held on June 25, 2013. Members of the public were invited to attend to view information displays and speak with TTC staff about the project.

**Clean**

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

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

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

***How we met our commitment:***

- The cleaning and bulb replacement of all station platform lighting started at the beginning of 2014.
- 26 station platforms were completed by end of the second quarter.
- We are on target to have 75 percent of all station platforms completed by the end of third quarter.

We remain on target to complete 70 percent of all station mezzanines and entrances by the end of the year.

## 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 5 (May 31), total revenues were \$6.7 million (1.4%) below budget primarily due to 3.0 million (1.3%) fewer customer journeys than planned and a slightly lower average fare (0.60¢ or 0.3%) stemming from marginally higher monthly pass sales. Over the same time period, expenses were \$13.0 million (2.0%) 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	\$1,158.9	\$1,166.5	(\$7.6)
Expenses	\$1,598.0	\$1,597.6	\$0.4
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: \$8.1 million decrease

The number of customer journeys for the year is expected to be 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 \$8.1 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 5 (May 31), total revenues were marginally (\$109K 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 4.4%). Over the same period, expenses were \$1.3 million (2.9%) 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
<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 5 typically reflect lower project activity as early efforts are focussed on setting up schedules and tendering work. Current period activities also include continued progress on vehicle and construction contracts already in place. Significant variances in the current period stem from under-spending on delayed facility contract work and vehicle deliveries.

#### 2014 Year-End Projections

millions)	Projected	Budget*	Variance
<b>2014 Capital Program Budget</b>			
Base Program	\$1,054.2	\$1,084.0	(\$29.8)
Toronto-York Spadina Subway Extension (TYSSE)	\$413.4	\$527.6	(\$114.2)
Scarborough Subway Extension (SSE)	\$14.5	\$14.5	-

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

#### Base Capital Program Expenditures: \$29.7 million under

The current projected spending on the Base Capital Program is estimated at \$1,054.2 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 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.

##### 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 \$51million slipping from 2013 to 2014 and future years for project milestones and other related costs.

#### TYSSE Program Expenditures: \$114.2 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 and performance has shown improvement on a number of construction sites.

## **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-four trainsets have been accepted into revenue service. This marks the acceptance of the 15<sup>th</sup> trainset for the 21 H6 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 in May 2014. 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 ten trainsets for the Toronto-York Spadina Subway Extension (TYSSE) needs.

At the January 2014 City Budget Meeting, an additional ten trainsets were approved. The contract has been awarded and implementation of the procurement, including improvements and lessons learned from the active contracts 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, and 4402) have undergone extensive testing in Thunder Bay and 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. The first and second production vehicles were delivered on May 31, 2014 and July 4, 2014 respectively. Commissioning activities for the new streetcars have commenced. 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. As the new streetcar fleet are delivered and the planned network upgrades are complete, deployment will then be carried out incrementally to 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. Completion and full delivery of the 204 vehicle order from Bombardier and eventual conversion of the entire streetcar fleet is expected 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 the end of July, 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 June 18, 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, 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 were held from May 9 to June 21, 2014, prior to and during the Queen/Leslie intersection closure which was successfully re-opened on June 22, 2014. 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 late 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. New platform is expected to open to the public summer of 2014. 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 fall 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 contract was

awarded. On-site mobilization is ongoing. The contract for Ossington Station was awarded in June 2014. The contract for Coxwell Station was 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 currently 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. Addition of ATC scope on TYSSE to Line 1 ATC Project includes ATC functionality 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 scheduling 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 at these stations pose the greatest scheduling challenges to the overall project schedule. Efforts to have the contractors at these stations improve their schedule performance are intense and have been ongoing and there have been some positive signs of improvement. 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. The schedule at Vaughan Metropolitan Station faltered in the beginning of October 2013 but indications of improvement became evident in late April 2014. Work at Finch West Station is currently progressing well.

Design of the various systems components is well underway and complete at some locations. Delivery of some system equipment to sites 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, 505 Dundas, and 509 Harbourfront routes. The Wave 1 release will also replace the current PRESTO equipment at 14 stations currently equipped with PRESTO fare payment equipment while adding PRESTO equipment to 12 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 28 subway stations and the electrical construction work to upgrade the power configuration has been completed at 15 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 commenced in June 2014.