



Transit Executive Committee Agenda

Council Chambers
Regional Headquarters Building
605 Rossland Road East, Whitby

Wednesday, March 6, 2019

1:30 PM

1. Declarations of Interest

2. Adoption of Minutes

- A) Durham Region Transit Executive Committee meeting
–[February 6, 2019](#)

Pages 3-9

3. Delegations

There are no delegations to be heard

4. Presentations

- 4.1 Vincent Patterson, General Manager and Nancy Taylor, Treasurer,
Durham Region Transit regarding Durham Region Transit 2019
Business Plan and Budget

Handout

5. Correspondence

- A) TC-2
Resolution from the Municipality of Clarington adopted at their
Council meeting held on February 4, 2019, regarding:
Inadequate Public Transportation in Ward 4.
Recommendation: Refer to staff for consideration

Pages 10

6. Reports

- A) Appointment of members to the Durham Region Transit
Advisory Committee ([2019-DRT-5](#))

Pages 11-13

- B) 2019 Durham Region Transit Business Plan and
Budget ([2019-DRT-6](#))

Pages 14-28

[Link to 2019 Detailed Business Plans and Budgets for Durham
Region Transit](#)

7. Advisory Committee

There are no advisory committee items to be considered

8. Confidential Matters

There are no confidential matters to be considered

9. Other Business

10. Date of Next Meeting

Wednesday, April 3, 2019 at 1:30 PM

11. Adjournment

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The Regional Municipality of Durham

MINUTES

DURHAM REGION TRANSIT EXECUTIVE COMMITTEE

Wednesday, February 6, 2019

A regular meeting of the Durham Region Transit Executive Committee was held on Wednesday, February 6, 2019 in the Council Chambers, Regional Headquarters Building, 605 Rossland Road East, Whitby, Ontario at 1:31 PM

Present: Commissioner Collier, Chair
Commissioner Anderson
Commissioner Barton, Vice-Chair
Commissioner Mulcahy attended the meeting at 1:36 PM
Commissioner Pickles
Regional Chair Henry

Absent: Commissioner Bath-Hadden was absent due to municipal business
Commissioner Carter
Commissioner Drew

Staff

Present: E. Baxter-Trahair, Chief Administrative Officer
V. Patterson, General Manager, Durham Region Transit
J. Austin, Deputy General Manager, Business Services, Durham Region Transit
B. Eyre, Manager, Operations, Specialized Services, Durham Region Transit
A. McKinley, Deputy General Manager, Maintenance, Durham Region Transit
A. Naeem, Solicitor, Corporate Services – Legal
C. Norris, Manager, Customer Experience, Durham Region Transit
S. Pollock, Communication Coordinator, Durham Region Transit
M. Simpson, Director, Financial Planning and Purchasing, Finance Department
N. Taylor, Treasurer, Durham Region Transit, and Commissioner of Finance
S. Rashad, Systems Support Specialist, Corporate Services – IT
A. Wismer, Economic Analyst 2, Finance Department
C. Tennisco, Committee Clerk, Corporate Services – Legislative Services

1. Declarations of Interest

There were no declarations of interest.

Moved by Regional Chair Henry, Seconded by Commissioner Barton,
(11) That the Rules of Procedure be suspended in order to add the election of the Transit Executive Committee Vice-Chair to the agenda.
CARRIED on a 2/3rds Vote

2. Election of Transit Executive Committee Vice-Chair

Chair Collier called for nominations for the position of Vice-Chair of the Transit Executive Committee.

Moved by Regional Chair Henry, Seconded by Commissioner Anderson,
(12) That Commissioner Barton be nominated for the position of Vice-Chair of the Transit Executive Committee.

Moved by Regional Chair Henry, Seconded by Commissioner Pickles,
(13) That nominations be closed.
CARRIED

The Chair asked if Commissioner Barton wished to stand. Commissioner Barton indicated he would stand.

The Chair declared Commissioner Barton acclaimed as the Vice-Chair of the Transit Executive Committee.

3. Adoption of Minutes

Moved by Commissioner Barton, Seconded by Commissioner Pickles,
(14) That the minutes of the regular Durham Region Transit Executive Committee meeting held on Wednesday, January 9, 2019, be adopted.
CARRIED

4. Delegations

4.1 Mr. Floyd Diaz, BAE Systems, regarding Report #2019-DRT-2: Preparing for Transit Innovations

Mr. Floyd Diaz, Regional Sales Manager, BAE Systems, appeared before Committee to explore solutions and options for hybrid and electric engine technology for buses. He provided a PowerPoint presentation titled, "Power & Propulsion Solutions".

F. Diaz advised that BAE Systems is a world leading supplier of electric power propulsion systems and solutions. He noted that their key differentiator in the industry is their systems in development and integration expertise. He outlined the cities and bus manufacturers worldwide for which that BAE Systems has helped electrify transit.

F. Diaz provided details on the economics of electric buses in terms of capital and operating cost trade-offs; the “break even” point (vs Diesel) which varies by market based on energy prices; and “other” costs including a charging strategy.

F. Diaz displayed a graph comparing the “Electric Bus Average Life-time Costs” of diesel, hybrid and electric buses. He reviewed the various electric market barriers in terms of the lack of capital funds; lack of national regulatory drivers; manufacturer exaggeration of current capabilities; lack of standards; limits on secondary distribution infrastructure (charging); and a fragmented approval process for charger installations.

F. Diaz outlined the TTC evaluation for the Series Hybrid, being the best proven CO₂ (kg/km) solution for measures of tailpipe and upstream fuel production delivery emissions. He stated that the Series-ER extended range electric capabilities, for a fully electrified bus with an on-board battery charger, offers zero emission operations when needed; and is convertible to battery electric at its mid-life term.

F. Diaz concluded by advising that the Series Hybrid can be part of Durham Region Transit’s long-term planning strategy.

F. Diaz responded to questions of the Committee.

V. Patterson responded to questions with respect to the technology of the hybrid and electric buses. The Committee suggested that DRT consider hybrid and electric buses as an option for Durham Region Transit.

[Further discussion ensued on this matter later in the meeting. See Item 7. A) on pages 5 and 6, and Item 10.1 on pages 6 and 7 of these minutes.]

5. Presentations

5.1 Vincent Patterson, General Manager, Durham Region Transit, Re: Update

Vincent Patterson, General Manager, Durham Region Transit, provided a PowerPoint presentation update on Durham Region Transit (DRT).

Highlights of the presentation included:

- 2018 ridership is up, being the highest other than in the year 2014
 - 2018 conventional ridership is up 4.2 percent over 2017’s, and 1.7 percent over budget target
- “Bus full” occurrences are concentrated on three routes, which are each the focus of considerations regarding increased bus capacity and/or higher-order transit infrastructure
 - Seasonal pattern
 - No information on net impact on customers
 - Expectations? Should occurrences ever happen?

- Overview of inter-regional travel on specialized transit services, with a particular focus on the inter-regional transfers from/to DRT Specialized Services
- GTHA Specialized Services Work Group
- Next steps for inter-regional transfers

Discussion ensued regarding opportunities for seamless inter-connectivity for specialized services passengers at an inter-regional transfer hub; and the proposed accessible transfer hub at Meadowvale Road and Sheppard Avenue in the City of Toronto. It was questioned whether the potential exists for an interim bus bay at the Scarborough Town Centre. V. Patterson advised that the Scarborough Town Centre bus centre is at full capacity.

At the request of the Committee, V. Patterson reviewed the process to use a DRT fare to connect with the TTC under the City of Toronto by-law; why DRT is unable to pick up passengers travelling wholly inside the boundary of Toronto; DRT passengers transferring at the University of Toronto Scarborough Campus; the contributing factors for a 4.2 % increase in the 2018 DRT ridership; the Co-fare rate of .80¢ per trip; and DRT's revenue-cost-ratio.

V. Patterson also responded to questions regarding when the DRT Pulse service will be extended into the Municipality of Clarington; and the need for the number of Clarington bus routes and times to be extended to allow residents to travel to and from their homes, particularly in the evening.

5.2 Vincent Patterson, General Manager, Durham Region Transit, and Mary Simpson, Director, Financial Planning and Purchasing, Finance Department, Durham Region, re: 2019 Durham Region Transit Servicing and Financing Study

V. Patterson and M. Simpson provided a PowerPoint presentation on the 2019 Durham Region Transit (DRT) Servicing and Financing Study. A copy of their presentation was provided as a handout.

V. Patterson provided an overview of the DRT strategic framework. He advised that the framework is comprised of DRT's 2018 to 2020 organizational objectives to create value for its customers; enhance effectiveness at delivering transit services; and to identify, pursue and achieve financial efficiencies.

V. Patterson also provided details on 2019 Service priorities which include investing in service enhancements; strengthening transit services in rural north Durham; building upon customer amenity and outreach initiatives; managing fleet assets and transit innovations; continuing the transition to electronic fare media; and advancing higher-order transit.

M. Simpson provided an overview of the 2019 DRT financial considerations. She outlined the operating pressures in terms of the annualization of previous years service enhancements; major repairs of an aging fleet; and the general cost of DRT's operation.

M. Simpson provided details on DRT's future risks and uncertainties including future growth forecasts resulting from a rapid growth in population; the Investing in Canada Infrastructure Program (ICIP); competing Regional programs and services; and affordability for the taxpayer and fare payer.

M. Simpson outlined DRT's Capital needs to meet future vehicle and facility growth demands; replacement of vehicles; and technology requirements.

At the request of the Committee, A. McKinley provided an overview of DRT's procurement initiatives for transportation innovation opportunities for hybrid and articulated buses. Discussion followed on bus technology based on DRT's carbon footprint. It was suggested that DRT staff approach Metrolinx on this matter with respect to future joint procurements.

V. Patterson responded to questions regarding the fare revenue deficit projected for 2018; the phase out of the DRT paper fare media; the GO One-Fare agreement; and when the bus shelters will be installed along Taunton Road.

Discussion ensued regarding the Investing in Canada Infrastructure Program funding opportunities and changes to the current programs; the possible financial impacts to the Region along with the Region's contributions over ten years for ineligible capital costs under the program.

6. Correspondence

- A) Mayor Dave Ryan, City of Pickering, writing to John Henry, Regional Chair and CEO, advising that effective immediately, David Pickles, Regional Councillor, has been appointed as his designate to the Durham Region Transit Executive Committee
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Moved by Commissioner Barton, Seconded by Regional Chair Henry,
(15) That Correspondence Item TC-01, from Mayor Dave Ryan, City of
Pickering, be received for information."

CARRIED

7. Reports

- A) Joint Bus Procurement Results (2019-DRT-3)
-

Report #2019-DRT-3 from V. Patterson, General Manager, Durham Region Transit, was received.

Discussion ensued regarding information provided by the delegation earlier in the meeting with respect to hybrid and electric engine buses as an option for future DRT bus acquisitions.

[Further discussion ensued on this matter. See Item 10.1, Other Business, on pages 6 and 7 of these minutes.]

This matter will be considered by the Finance & Administration Committee on February 12, 2019 and presented to Regional Council on February 27, 2019.

Moved by Commissioner Pickles, Seconded by Commissioner Barton,
(16) That approval be granted for the award of the 2018 Metro-linx led RFP for seven-metre and eight-metre low floor para-transit buses.

CARRIED

B) 2019 Durham Region Transit (DRT) Servicing and Financing Study (2019-DRT-4)

Report #2019-DRT-4 from V. Patterson, General Manager, Durham Region Transit, was received.

Moved by Regional Chair Henry, Seconded by Commissioner Mulcahy,
(17) That Report #2019-DRT-4 be received as background information to the forthcoming 2019 Durham Region Transit budget.

CARRIED

This matter will be considered by the Finance & Administration Committee on February 12, 2019 and presented to Regional Council on February 27, 2019.

8. Advisory Committee Resolutions

There were no advisory committee resolutions to be considered.

8.1 Durham Region Transit Advisory Committee

There were no advisory committee minutes to be considered.

9. Confidential Matters

There were no confidential matters to be considered.

10. Other Business

10.1 Request that Metrolinx consider Hybrid engine technology and Electric technology as options in the specifications for all future bus acquisitions

The Committee discussed the need for DRT and Metrolinx to consider hybrid and electric engine technology as options for future bus acquisitions.

Moved by Regional Chair Henry, Seconded by Commissioner Pickles,
(18) That Durham Region Transit staff be directed to ask Metrolinx to included Hybrid engine technology and Electric engine technology as options in the specifications for all future bus acquisitions.

CARRIED

11. Next Meeting

The next regularly scheduled Durham Region Transit Executive Committee meeting will be held on Wednesday, March 6, 2019 at 1:30 PM in the Lower Level

Boardroom (LL-C), Regional Headquarters Building, 605 Rossland Road East,
Whitby.

12. Adjournment

Moved by Commissioner Barton, Seconded by Commissioner Pickles,
(19) That the meeting be adjourned.

CARRIED

The meeting adjourned at 2:52 PM

Respectfully submitted,

S. Collier, Chair

C. Tennisco, Committee Clerk

Clarington

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February 5, 2019

Phil Verster, President & Chief Executive Officer
Metrolinx
Via Email: CEO@metrolinx.com

Dear Mr. Verster:

Re: Inadequate Public Transportation in Ward 4

File Number: PG.25.06

At a meeting held on February 4, 2019, the Council of the Municipality of Clarington approved the following Resolution #GG-014-19:

Whereas, with inadequate public transit, people in the rural northern area of Clarington are deprived of the opportunity to pursue social and economic opportunities;

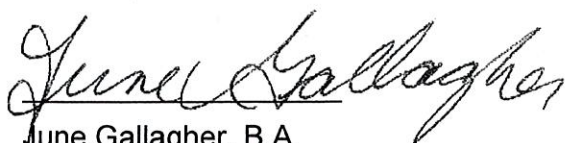
And whereas the current public transit routes and schedule result in a lengthy trip to go a short distance, often requiring many transfers;

And whereas the routes are not fully integrated with other regions in close proximity to Clarington;

Now therefore be it resolved that Metrolinx and the GO Transit Commission be requested to expand GO Transit services to include stops in Orono on the buses traveling between the GO parking lot at Hwy 2 and 115, and Peterborough, (the 88); and

That the Region of Durham be requested to expand the Durham Transit services to include routes and schedules to enable citizens in rural Clarington to travel in a safe, accessible, and timely manner.

Yours truly,



June Gallagher, B.A.
Deputy Clerk

JG/lp

- c. GO Transit Commission
Ralph Walton, Regional Clerk/Director of Legislative Services, Region of Durham
Frances Tufts

CORPORATION OF THE MUNICIPALITY OF CLARINGTON

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Durham Region Transit Report

To: Durham Region Transit Executive Committee
From: General Manager, Durham Region Transit
Report: [#2019-DRT-5](#)
Date: March 6, 2019

Subject:

Appointment of members to the Durham Region Transit Advisory Committee

Recommendations:

- A) That the Durham Region Transit Executive Committee (TEC) appoint the following nominees to the Transit Advisory Committee (TAC) for the term of this Council:
- i) Nominated by local municipal Councils:
 - a. Township of Brock: Jean Martin
 - b. Municipality of Clarington: Richard Claxton-Oldfield
 - c. City of Oshawa: Greg Gormick
 - d. City of Pickering: Abdul Macci
 - e. Town of Whitby: Jeffrey Beaton
 - ii) One member of the Transit Executive Committee; Chair of TEC or his designate, as Chair of TAC;
 - iii) Durham Region Transit (DRT) General Manager's designate, as non-voting member: DRT Manager, Customer Experience
- B) That TAC be requested to recommend at its March 19, 2019 meeting two members at large for consideration by TEC at a future meeting.
-

Report:

1. Purpose

- 1.1 The purpose of this report is to obtain approval from TEC for nominations received from local municipalities and other stakeholder groups, as set out in the Terms of Reference of TAC for representation on TAC.

- 1.2 Approval is also being requested for TAC to recommend the two members at large from the applications received but not nominated by the local municipalities and bring the two names forward for consideration by TEC at its next meeting.

2. Discussion

- 2.1 As per its Terms of Reference, TAC is comprised of 17 members in total (16 voting and one non-voting), including a representative from each area municipality.
- 2.2 Applications were due by November 23, 2018. DRT received applications for the Town of Ajax, Township of Brock, Municipality of Clarington, City of Oshawa, City of Pickering, Township of Uxbridge, and Town of Whitby. The applications and letters of interest were forwarded to the respective local municipal Councils on December 12, 2018 with a request to nominate their representative. Nominations have been received from the Township of Brock, Municipality of Clarington, City of Oshawa, City of Pickering, and Town of Whitby. The nominations from the City of Ajax and Township of Uxbridge have not been received, these will be provided at a future TEC meeting for appointment.
- 2.3 The jointly nominated member from the student associations at UOIT, Durham College and Trent University is awaiting appointment. Discussions are underway with the student associations of UOIT and Trent to nominate their joint member. The Durham College student association does not have an executive in place to participate in this joint discussion. The name of nominee will be provided at a future TEC meeting for appointment.
- 2.4 The municipal appointment process may be deemed to have concluded, based on demonstrated interest to date. In accordance with the TAC Terms of Reference, should a local Council not receive an application for appointment to TAC, then the appointment for that municipality will remain vacant for the term of this Council unless the local municipality receives subsequent expression of interest and opts to approve an appointment during the term of Regional Council.
- 2.5 A regionwide search will be undertaken to identify two members representing community groups representing persons with disabilities in Durham Region. The names of nominees will be provided at a future TEC meeting for appointment.
- 2.6 This report was prepared with the assistance of Legislative Services.
- 2.7 For additional information, contact: Christopher Norris, Manager, Customer Experience, at 905-668-7711, extension 3752.

3. Attachments

Confidential Attachment #1: Applications for TAC Appointments
(under separate cover)

Respectfully submitted,

Original signed by

Vincent Patterson, MCIP, RPP, MEng
General Manager, DRT

Recommended for Presentation to Committee

Original signed by

Elaine C. Baxter-Trahair
Chief Administrative Officer



Durham Region Transit Report

To: Durham Region Transit Executive Committee
From: General Manager, Durham Region Transit
Treasurer, Durham Region Transit
Report: #2019-DRT-6
Date: March 6, 2019

Subject:

2019 Durham Region Transit Business Plan and Budget

Recommendation:

That the Durham Region Transit Executive Committee recommends to the Finance and Administration Committee for subsequent recommendation to Regional Council that the 2019 Business Plan and Budget of Durham Region Transit (DRT) be approved, including the following authorizations:

- A) That DRT's transit service level be approved at up to 529,911 revenue hours of service (a 0.6 per cent increase from 526,627 hours in 2018), including annualization of the 2018 service enhancements and based on service enhancements and efficiencies to be implemented in 2019.
 - B) That, effective May 1, 2019, the following transit fare increases be implemented, estimated to generate approximately \$128,000 in new fare revenue in 2019 based on DRT's 2019 ridership forecast of 10.7 million riders:
 - i) The Adult single-ride PRESTO and Ticket fares to increase by \$0.05 from \$3.15 to \$3.20; and,
 - ii) The Youth single-ride PRESTO and Ticket fares to increase by \$0.05 from \$2.80 to \$2.85.
 - C) That the Treasurer and General Manager of Durham Region Transit be authorized to execute a one-year extension to the existing U-Pass agreement with Durham College, the University of Ontario Institute of Technology and Trent University (Durham Campus), including an increase in the fee per eligible student from \$135.00 per semester to \$139.00 per semester for the period of September 1, 2019 to August 31, 2020.
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Report:**1. Purpose**

- 1.1 The purpose of this report is to obtain Durham Region Transit Executive Committee concurrence of the 2019 Business Plan and Budget for Durham Region Transit. The Durham Region Transit 2019 Business Plan and Budget will be referred to the Finance and Administration Committee for consideration during deliberations of the 2019 Property Tax Supported Business Plans and Budgets.

2. Overview

- 2.1 The recommended 2019 Durham Region Transit Business Plan and Budget meets the Council approved guideline for the 2019 Property Tax Supported Business Plans and Budgets.
- 2.2 The 2019 Durham Region Transit Business Plan and Budget supports the following key priorities:
 - a. Innovate operations and administration
 - b. Respond to ongoing legislative and regulatory changes
 - c. Invest in infrastructure renewal; and
 - d. Manage the challenges of growth and affordability.
- 2.3 The recommended 2019 Durham Region Transit Business Plan and Budget includes \$101.1 million in gross expenditures (operating and capital) requiring \$58.15 million in property tax funding with the remaining funded by program revenues (e.g. fares, advertising), development charges and provincial investments (e.g. Ontario Gas Tax).

3. 2018 Accomplishments

- 3.1 In 2018, DRT successfully implemented several changes and initiatives to improve service, enhance customer experience and advance community outreach. Examples include:
 - a. Overall ridership growth of 4.2 per cent over 2017 with an increase in U-Pass revenue of \$0.7 million and fare revenues of approximately \$0.5 million over 2017 actuals. These have contributed to maintaining DRT's revenue-cost ratio within the target range (i.e., 35 to 40 percent);
 - b. Implemented year three of the Five-Year Service Strategy adding 5,300 revenue service hours, including service and capacity increases on high frequency routes and expanded service in North Oshawa and Brooklin;

- c. Positive ridership growth in North Durham as customers familiarize themselves with services following a 52 per cent increase in revenue service hours in 2016 and 2017;
- d. Introduced 24 new buses and two specialized vehicles, including DRT's first low-floor minivans providing added flexibility to the specialized service and OnDemand fleets;
- e. 650 metres of dedicated lanes opened on Highway 2 for PULSE Bus Rapid Transit with the support of the Works Department;
- f. Achieved 80 per cent hard surfacing of bus stops offering improved customer experience and accessibility;
- g. Implemented enhanced scheduling, trip booking and fare payment features for specialized transit customers, including deployment of PRESTO payment devices on specialized minibuses;
- h. Conducted rural hard surfacing pilot at five bus stops along Taunton Road and partnered with Metrolinx on a new signage pilot at Pickering Station and Pickering Parkway Terminal;
- i. Launched a new, modernized DRT website providing easy and accessible navigation of DRT information, services and trip planning;
- j. Conducted travel studies of U-Pass and social assistance clients to inform policy and program design for U-Pass arrangements and low income travelers; and
- k. Successfully launched youth ridership initiatives including high school outreach events and 2-4-1 Youth summer monthly pass promotion.

4. 2019 Priorities and Highlights

- 4.1 The proposed 2019 Durham Region Transit Business Plan and Budget net property tax budget of \$58.15 million provides for the following annualization costs from 2018:
 - a. Annualization of the 2018 service changes on the conventional route network at a net cost of \$0.5 million in 2019;
 - b. Annualization of three new positions approved in the 2018 budget at a cost of \$0.2 million; and,
 - c. The removal of one-time revenue share payment in 2018 under the previous shelter advertising multi-year contract (\$-0.4 million).

4.2 The proposed 2019 DRT Business Plan and Budget also provides for the following:

- a. Transit service improvements of up to 529,911 revenue hours of services (a 0.6 per cent increase from 526,627 hours in 2018), including annualization of the 2018 service enhancements and the service enhancements and efficiencies to be implemented in 2019 as summarized in Attachment #1, at a cost of \$0.2 million (total annual cost of the 2019 service enhancements are \$0.6 million with a total of 7,934 incremental service hours to be phased in over 2019 and 2020);
- b. Four new operator positions (three conventional service and one OnDemand) to support proposed increase in service hours;
- c. Conversion of six part time conventional operator positions to full time (consistent with full time equivalent hours worked) in accordance with the collective agreement amendments (\$54,000);
- d. Two new permanent full time positions to support critical business needs at a 2019 cost of \$0.13 million (annualized cost of \$0.3 million):
 - Coordinator, Technology Solutions – An additional Coordinator position is required to support DRT's Transit Technology Solutions team in response to rapidly expanding technology requirements and to ensure continuity of operations in the event of technology disruptions. At present, DRT's Transit Technology Solutions team consists of two staff who are responsible for ensuring that all critical technology and software systems that support effective bus operations, fare payment, security cameras and data collection are installed, tested, repaired and working effectively at all times. In addition, Metrolinx/PRESTO and other smart technology demands are growing, including full replacement of all PRESTO devices to be completed in 2020 and new functionality to be introduced. The additional Coordinator position will provide added assurance on availability of technical staff at all times to address urgent issues, meet increasing workload demands and enhance the capacity of the team to undertake longer term strategic planning for PRESTO and other DRT technology needs.
 - Maintenance Swing Supervisor – In December 2018, the Ontario Ministry of Labour introduced an Occupational Health & Safety Bill which increased the level of responsibility for supervisors and managers in Industrial workplaces. The safety of staff working in the maintenance area of DRT facilities is of extreme importance and the increased responsibility of Supervisors to ensure staff safety requires additional

support. The new Swing Supervisor will support existing Supervisors in ensuring new legislative responsibilities are met, including responsibility for equipment pre-starts and inspections, document retention, and equipment/facility audits. The position will also help address the lack of availability of supervisors for all shop hours.

- e. Capital investments totaling \$11.3 million that include bus infrastructure improvements, smart technology replacement/upgrades, new growth vehicles (four conventional buses, three specialized/OnDemand vehicles), vehicle replacements (including three specialized vehicles, one service vehicle), and a provision of \$5.6 million for bus purchases;
- f. Adjustments to route maintenance costs for snow and ice clearing, shelter cleaning and garbage pick-up in accordance with new contractual arrangements (\$1.2 million);
- g. Increase in major repair costs to address maintenance requirements for vehicles approaching end of life and mid-life engine and transmission replacements and refurbishments (\$0.6 million). A significant portion of this pressure is proposed to be financed through the reallocation of provincial gas tax funding from the capital budget to the operating budget;
- h. Increase in the PRESTO transaction fee as per the new PRESTO agreement (\$0.2 million);
- i. Continue to reduce waitlists and improve service efficiency on Specialized Services through increased part time operator hours (\$0.1 million) and initiation of a two-year eligibility review process to maximize the use of DRT's integrated service model by leveraging the accessibility features of the conventional fleet to best support customer travel needs based on individual abilities (\$0.1 million);
- j. Ridership incentive and outreach initiatives to help build transit ridership, awareness and loyalty among key market segments including youth, low income travellers and residents of north Durham (\$50,000). Those being considered include:
 - Youth loyalty discount pilot – DRT is reviewing options to provide youth with loyalty based incentives that offer savings for regular transit users. This includes leveraging PRESTO card functionality to support a discounted monthly pass for high school students, offering more affordable travel throughout the school year;

- Low income initiatives – In Fall 2018 DRT and Durham Social Services conducted a travel survey of 400 Ontario Works and Ontario Disability Support Program clients. Survey respondents were provided with a pre-loaded monthly pass on a PRESTO card allowing for collection of data on travel usage over a one month period. Analysis of the data is being finalized and will inform development of initiatives to improve transit access for low income passengers, including the potential permanent transition of the ACCESS Pass to PRESTO; and
 - North Durham – Initiate market research on transit use and needs in North Durham to inform service planning, customer service and outreach initiatives to build broader awareness of transit options in North Durham and increase ridership.
- k. Pursue ridership growth to 10.7 million passengers in 2019 (0.38 per cent increase over 2018 projected actuals) based on planned service enhancements and ridership incentive initiatives.
- 4.3 The 2019 DRT Budget and Business Plan also includes increased fare revenues through U-Pass arrangements with Durham’s post-secondary institutions and fare adjustments, including:
- a. Post-secondary enrollment increases and annualization of the 2018 U-Pass fee of \$135 per student per semester (\$612,000), as well as a proposed increase of \$4.00 in the U-Pass fee effective September 2019 (\$80,000). To implement the \$4.00 increase, which will raise the U-Pass rate by three per cent to \$139 per student per semester, DRT is seeking approval to execute a one year extension to the existing U-Pass agreement for the period of September 1, 2019 through August 31, 2020. During 2019, a new multi-year agreement will be negotiated with participating post-secondary institutions for TEC and Council approval. The new agreement, which will be informed by the results of the U-Pass travel study conducted by DRT in collaboration with the post-secondary institutions in late 2018, would take effect September 2020; and,
 - b. Effective May 1, 2019, the introduction of limited single ride fare increases to help mitigate PRESTO fee increases and maintain DRT’s revenue-cost ratio within target range (i.e., 35 to 40 per cent), as follows:
 - Adult single-ride PRESTO and Ticket fares be increased by \$0.05 from \$3.15 to \$3.20; and,
 - Youth single-ride PRESTO and Ticket fares be increased by \$0.05 from \$2.80 to \$2.85.

It is proposed that all other fares remain at current levels (Attachment #2 provides a full schedule of fare rates).

The proposed fare increases (excluding U-Pass changes) are estimated to generate approximately \$128,000 in new revenue for 2019 based on the ridership forecast of 10.7 million passengers.

5. 2019 Risks and Uncertainties

5.1 Key risks and uncertainties for DRT in 2019 and beyond include:

- a. Maintaining and improving service levels in communities experiencing rapid population growth and development to make transit an attractive mobility alternative to car;
- b. Timely repair and replacement of DRT's fleet to mitigate major repair costs due to end of life and mid-life refurbishment maintenance needs;
- c. Volatility of fuel price and weather-related impacts on operational and route maintenance expenditures;
- d. Uncertainty of both existing provincial funding for transit as well as future federal and provincial funding commitments to advance rapid transit projects and other initiatives, including requirements for 27 per cent municipal contributions under current Investing in Canada Infrastructure Program public transit funding (estimated to be \$60 million over ten years or \$6.0 million per year);
- e. Broader economic performance and unemployment trends which have a direct impact on travel behaviour and transit ridership demands.

6. Future Budget Pressures

6.1 DRT's 2019 Budget and Business Plan includes the following items that will have annualization impacts for 2020. These include:

- a. Annualization of service improvements being implemented in 2019 estimated to have an impact of \$0.4 million in 2020;
- b. Annualization of two new proposed full time positions to be added in 2019 at an estimated impact on the 2020 budget of \$0.1 million for 2020. These positions are critical to operational effectiveness and business continuity at DRT to support increasing technology and maintenance needs; and
- c. Potential reallocation of provincial gas tax funds from the operating budget to the capital budget to meet the forecasted vehicle replacements projected for 2020.

- 6.2 Over the next four years DRT is anticipating significant future budget pressures as a result of rapid population growth and aging capital assets such as:
- a. Service improvements to keep pace with growth, including along rapid transit corridors (e.g. Highway 2 and Simcoe Street, Oshawa);
 - b. Advancing rapid transit infrastructure/facilities along Highway 2 and Simcoe Street corridors;
 - c. Fleet repair, replacement and growth needs required to meet service demands;
 - d. Replacement of all on-board PRESTO devices, which is expected to take place in 2020;
 - e. Ongoing bus stop accessibility improvements (e.g. hard surfacing) required by 2025 in accordance with the Accessibility for Ontarians Disability Act;
 - f. Capital and operating impacts for new maintenance and storage facility costs for North Oshawa and Seaton (including associated debt charges); and,
 - g. Annual cost for monitoring of soil contamination at the Raleigh Garage site following demolition of the old garage.

7. Conclusion

- 7.1 The recommended 2019 Durham Region Transit Business Plan and Budget meets the Council approved guideline for the 2019 Property Tax Supported Business Plan and Budget and supports Durham Region Transit in pursuing its key priorities.
- 7.2 It is recommended that the Transit Executive Committee approve the 2019 Business Plan and Budget for Durham Region Transit and forward this report to the Finance and Administration Committee for consideration during the budget deliberations for the 2019 Property Tax Supported Business Plans and Budgets.

8. Attachments

8.1 Attachment #1: 2019 DRT Service Plan

8.2 Attachment #2: 2019 DRT Fare Table

8.3 Detailed 2019 Business Plan and Budget for Durham Region Transit is available on-line through the link provided on the March 6, 2019 Durham Region Transit Executive Committee agenda or in hard copy by contacting the Finance Department, at (905) 668-7711 ext. 2304.

Respectfully submitted,

Original signed by:

Vincent Patterson, MCIP, RPP, MEng
General Manager, DRT

Original signed by:

Nancy Taylor, BBA, CPA, CA
Treasurer, DRT

Recommended for Presentation to Committee

Original signed by:

Elaine Baxter-Trahair
Chief Administrative Officer

Attachment 1: 2019 Transit Service Plan

Year	Route	Service Details	Start Date	Vehicle Requirements			Full Time Equivalent Staff	Annual		
				PULSE	Standard	Small		Rev Hrs	Kilometres	Net Cost
2019 (Current)										
High Frequency Network										
Weekday										
2019	224	Existing trips ending at Bayly extended to Kingston Road. Westbound service extended to approximately 23:30.	APR	0	0	0	0.3	432	2,964	\$38,726
2019	302	Last trip extended to Whitby Station. New trip at 01:00 from Whitby Station.	APR	0	0	0		309	8,151	\$30,914
2019	401	401C branch replaced by new route 422 and 401B AM/PM peak trips introduced.	APR	0	0	0	-2.1	-3,293	-80,769	-\$290,779
2019	915	Summer and December midday frequency improved to 15 from 30 minutes.	DEC	0	0	0	0.6	1,000	29,100	\$106,279
2019	915	Last eastbound trip to be extended to Harmony Terminal.	APR	0	0	0	0.0	74	1,976	\$8,978
2019	916	Frequency between 1400-1600 to be improved to 15 minutes from 30.	SEP	0	0	0	1.2	1,853	48,659	\$189,772
2019	916	New westbound trip at approximately 23:00. New eastbound trip at approximately 24:00.	APR	0	0	0	0.3	494	13,091	\$59,720
Saturday										
2019	224	Existing trips ending at Bayly extended to Kingston Road.	APR	0	0	0	0.1	90	952	\$8,565
2019	302	New trips between 5:00 - 6:00 and between 19:00 - 20:00.	DEC	0	0	0		112	2,912	\$10,069
2019	302	Last trip extended to Whitby Station. New trip at 01:00 from Whitby Station.	APR	0	0	0		56	1,848	\$5,825
2019	401	New early morning trips.	DEC	0	0	0	0.0	42	1,512	\$5,142
2019	PULSE (900)	New trips between 5:00 - 6:00.	DEC	0	0	0	0.2	312	7,392	\$32,724
2019	915	New trips between 5:00 - 6:00 and between 19:00 - 20:00.	DEC	0	0	0	0.1	168	5,432	\$19,684
2019	915	New evening service between 23:00 and 24:00.	APR	0	0	0	0.1	99	3,472	\$13,330
2019	916	New trips between 5:00 - 6:00 and between 18:00 - 20:00.	DEC	0	0	0	0.2	252	8,232	\$29,647
2019	916	New late night trips between 23:00 and 24:00.	APR	0	0	0	0.1	168	4,592	\$20,533
Sunday										
2019	224	Existing trips ending at Bayly extended to Kingston Road.	APR	0	0	0	0.0	12	62	\$1,074
2019	PULSE (900)	Midday frequency increase to 15 minutes from 30, between Pickering Parkway Terminal and downtown Oshawa.	SEP	0	0	0	1.6	2,394	50,592	\$228,628
2019	915	Last two eastbound trips to be extended to Harmony Terminal.	APR	0	0	0	0.0	48	1,984	\$6,917
2019	916	Eastbound trip to be added at around 23:00.	APR	0	0	0	0.0	62	1,550	\$7,347
Improving service reliability and capacity										
2019	852	Additional trips added to reduce crowding on busy routes as required.	SEP	0	1	0	1.1	1,729	48,659	\$213,546

Attachment 1: 2019 Transit Service Plan

Year	Route	Service Details	Start Date	Vehicle Requirements			Full Time Equivalent Staff	Annual		
				PULSE	Standard	Small		Rev Hrs	Kilometres	Net Cost
Improving Existing Connections										
Weekday										
2019	216	Evening service to be added between 00:00 and 01:00.	APR	0	0	0	0.2	371	8,151	\$42,133
2019	217	Southbound trip to be added at around 01:00.	APR	0	0	0	0.0	62	988	\$6,432
2019	223	Westbound trip to be added at around 01:30.	APR	0	0	0	0.0	62	1,482	\$7,219
2019	291	Frequency increase to 60 minutes from 120 minutes.	APR	0	0	0	1.3	2,028	36,062	\$216,985
2019	305	Evening service to be added between 23:00 and 24:00.	APR	0	0	0		432	14,079	\$44,853
2019	308	Evening service to be added between 23:30 and 01:30.	APR	0	0	0		247	4,446	\$23,506
2019	312	Routing to be modified to operate directly along Dundas Street in downtown Whitby.	APR	0	0	0		0	0	\$0
2019	406	Early morning service introduced between 7:00 - 10:00, every 40 minutes.	SEP	0	0	0	0.5	741	15,561	\$70,623
2019	408	AM / PM peak routing to be modified, so that service begins / ends at Oshawa Station, instead of Oshawa Centre. All AM / PM peak trips to operate as Route 408 instead of alternating Route 408 and 409 trips.	APR	0	0	0	0.3	489	9,880	\$37,951
2019	409	AM / PM peak trips to be discontinued and replaced by Route 408 trips.	APR	0	0	0	-0.3	-489	-10,868	-\$47,421
2019	601	Trip times adjusted to meet customer demand.	APR	0	0	2		-980	-31,369	-\$101,347
2019	603	Select trips to begin / end in Port Perry.	APR	0	1	0		737	33,098	\$73,650
2019	652	Service to be extended to Brock Township.	SEP	0	0	0	0.3	494	9,880	\$49,143
2019	653	Service to be extended to Cannington, Sunderland, and Port Perry.	APR	0	0	0	0.0	0	24,700	\$35,421
2019	654	Service to be extended to Sunderland and Port Perry.	APR	0	0	0	0.0	0	24,700	\$35,421
2019	950	Select trips to begin / end in Port Perry. Routing to be modified in southern Port Perry.	APR	0	0	0	0.0	-408	-19,019	-\$41,113
Saturday										
2019	216	Northbound trip to be added at around 24:00.	APR	0	0	0	0.0	14	448	\$1,815
2019	291	Frequency increase to 60 minutes from 120 minutes.	APR	0	0	0	0.3	460	8,232	\$49,284
2019	305	Evening service to be added between 22:30 and 24:30.	APR	0	0	0		99	3,248	\$10,297
2019	308	Evening service to be added between 22:00 and 24:00.	APR	0	0	0		71	1,568	\$6,938
2019	312	Routing to be modified to operate directly along Dundas Street in downtown Whitby.	APR	0	0	0		0	0	\$0
2019	651	Saturday daytime service to be introduced.	SEP	0	0	0	0.0	56	2,240	\$7,177
2019	652	Saturday daytime service to be introduced.	SEP	0	0	0	0.0	56	2,240	\$7,177
2019	910	Additional trips to be added between 6:00 - 8:00. Daytime service frequency between 8:00 - 20:00 to be improved from every 60 minutes to every 30 minutes.	DEC	0	0	0		889	33,936	\$80,930
2019	305	652	DEC	0	0	0		524	16,744	\$46,067
2019	110	Early morning service frequency between 7:00 - 10:00 to be improved from every 60 minutes to every 30 minutes. Additional trips to be added between 6:00 - 7:00 and between 19:00 - 20:00.	DEC	0	0	0	0.2	266	8,288	\$30,718
2019	216	Additional trips to be added between 6:00 - 8:00 and between 19:00 - 20:00.	APR	0	0	0	0.1	224	4,928	\$22,926
2019	223	Additional trips to be added between 6:00 - 8:00.	DEC	0	0	0	0.1	140	3,528	\$14,971
2019	403	Additional trips to be added between 5:00 - 6:00 and between 19:00 - 20:00.	DEC	0	0	0	0.1	126	3,248	\$13,579
2019	405	Additional trips to be added between 18:00 - 20:00.	APR	0	0	0	0.1	84	1,904	\$8,678
2019	112	Additional trips to be added between 6:00 - 7:00 and between 19:00 - 20:00.	DEC	0	0	0	0.0	67	1,848	\$7,408
2019	407	Early morning short entry trips to operate as full trips. Additional trips added between 19:00 - 20:00.	APR	0	0	0	0.0	56	1,008	\$5,410
2019	120	Additional trips to be added between 19:00 - 20:00.	DEC	0	0	0	0.0	28	784	\$3,107

Attachment 1: 2019 Transit Service Plan

Year	Route	Service Details	Start Date	Vehicle Requirements			Full Time Equivalent Staff	Annual		
				PULSE	Standard	Small		Rev Hrs	Kilometres	Net Cost
Saturday										
2019	225	Service frequency to be reduced from every 30 minutes to every 60 minutes.	APR	0	0	0	-0.5	-707	-16,240	-\$81,471
2019	226	Evening service (after 20:00) to be discontinued.	APR	0	0	0	0.0	-46	-1,232	-\$5,338
2019	226	Service frequency to be reduced from every 30 minutes to every 60 minutes.	APR	0	0	0	-0.2	-252	-6,832	-\$30,710
2019	232	Evening service (after 20:00) to be discontinued.	APR	0	0	0	0.0	-70	-1,792	-\$7,944
2019	232	Service frequency to be reduced from every 30 minutes to every 60 minutes.	APR	0	0	0	-0.2	-252	-7,504	-\$31,781
2019	283	Service replaced by fixed route service.	APR	0	0	0	0.0	-25	-672	-\$3,053
2019	292	Service cancelled.	APR	0	0	0	-0.3	-460	-12,432	-\$55,977
2019	304	Evening service (after 20:00) to be discontinued.	APR	0	0	0	0.0	-146	-3,136	-\$13,452
2019	385	Service replaced by fixed route service.	APR	0	0	0	0.0	-168	-4,536	-\$16,881
2019	950	First trip from Port Perry to Uxbridge to be discontinued due to low use.	APR	0	0	0	0.0	-39	-1,904	-\$4,438
2019	Contractor	Boxing Day service to operate on a Sunday schedule instead of Saturday schedule.	DEC	0	0	0	0.0	-33	-986	-\$3,368
2019	Contractor	Saturday service to operate on select weekdays during December.	DEC	0	0	0	0.0	-846	-23,092	-\$85,163
2019	Raleigh	Saturday service to operate on select weekdays during December.	DEC	0	0	0	-0.5	-746	-16,784	-\$85,406
2019	Raleigh	Boxing Day service to operate on a Sunday schedule instead of Saturday schedule.	DEC	0	0	0	-0.1	-230	-5,254	-\$26,470
2019	Westney	Boxing Day service to operate on a Sunday schedule instead of Saturday schedule.	DEC	0	0	0	-0.1	-150	-3,319	-\$17,114
2019	Westney	Saturday service to operate on select weekdays during December.	DEC	0	0	0	-0.7	-1,096	-25,448	-\$126,782
2019	Sunday									
2019	103	Service cancelled.	APR	0	0	0	-0.5	-700	-18,910	-\$85,163
2019	232	Evening service (after 20:00) to be discontinued.	APR	0	0	0	0.0	-26	-744	-\$3,072
2019	283	Service replaced by fixed route service.	APR	0	0	0	0.0	-47	-1,240	-\$5,634
2019	225	Last two southbound trips replaced by extended Route 915 service.	APR	0	0	0	0.0	-58	-1,736	-\$7,302

Attachment 1: 2019 Transit Service Plan

Year	Route	Service Details	Start Date	Vehicle Requirements			Full Time Equivalent Staff	Annual		
				PULSE	Standard	Small		Rev Hrs	Kilometres	Net Cost
Routing Updates										
2019	101	Routing to be modified in the Bay Ridges area to streamline service. Service will no longer operate via Saint Martins Drive / Radom Street, and Annland Street.	APR	0	0	0	0.0	0	-8,151	-\$12,988
2019	219	Modify routing to operate via Westney Road instead of Harwood Road.	APR	0	0	0	0.0	0	-8,151	-\$12,988
2019	224	Service extended from Kingston Rd to Taunton midday and evening.	APR	0	0	0	0.0	0	15,067	\$24,008
2019	225	Modify routing to operate via Williamson Rd., Taunton, and Gillet Rd.	APR	0	0	0	0.0	0	-494	-\$787
2019	291	Routing optimized on Marsh Ln and 95 Bayly.	APR	0	0	0	0.0	0	-741	-\$1,181
2019	302	Routing modified with introduction of new route 304.	SEP	0	0	0	0.0	0	-8,892	-\$5,248
Saturday										
2019	101	Routing to be modified in the Bay Ridges area to streamline service. Service will no longer operate via Saint Martins Drive / Radom Street, and Annland Street.	APR	0	0	0	0.0	0	-1,568	-\$2,498
2019	219	Modify routing to operate via Westney Road instead of Harwood Road.	APR	0	0	0	0.0	0	-1,680	-\$2,677
2019	224	Service extended from Kingston Rd to Taunton.	APR	0	0	0	0.0	0	2,968	\$4,729
2019	225	Modify routing to operate via Williamson Rd., Taunton, and Gillet Rd.	APR	0	0	0	0.0	0	-112	-\$178
2019	291	Routing optimized on Marsh Ln and 95 Bayly.	APR	0	0	0	0.0	0	-168	-\$268
2019	302	Routing modified with introduction of new route 304.	SEP	0	0	0	0.0	0	-1,400	-\$826
Sunday										
2019	101	Routing to be modified in the Bay Ridges area to streamline service. Service will no longer operate via Saint Martins Drive / Radom Street, and Annland Street.	APR	0	0	0	0.0	0	-1,302	-\$2,075
2019	219	Modify routing to operate via Westney Road instead of Harwood Road.	APR	0	0	0	0.0	0	-930	-\$1,482
2019	224	Service extended from Kingston Rd to Taunton.	APR	0	0	0	0.0	0	1,736	\$2,766
2019	225	Modify routing to operate via Williamson Rd., Taunton, and Gillet Rd.	APR	0	0	0	0.0	0	-494	-\$787
2019	291	Routing optimized on Marsh Ln and 95 Bayly.	APR	0	0	0	0.0	0	-186	-\$296
2019	302	Routing modified with introduction of new route 304.	SEP	0	0	0	0.0	0	-1,426	-\$942
2019 - Total				0	3	2	4	7,934	296,963	\$569,202



Proposed 2019 Fare Increases

Fare Category	Current Fare	Recommended Increase May 1, 2019	% Increase
Adult			
Cash	\$3.75	\$3.75	0%
Presto	\$3.15	\$3.20	2%
10 Ride Tickets	\$31.50	\$32.00	2%
Monthly Pass ¹	\$117.00	\$117.00	0%
Senior ²			
Cash	\$2.50	\$2.50	0%
Presto	\$2.10	\$2.10	0%
10 Ride Tickets	\$21.00	\$21.50	0%
Monthly Pass	\$46.00	\$46.00	0%
Youth ³			
Cash	\$3.75	\$3.75	0%
Presto	\$2.80	\$2.85	2%
10 Ride Tickets	\$28.00	\$28.50	2%
Monthly Pass	\$93.50	\$93.50	0%
Child ⁴			
Cash	\$2.50	\$2.50	0%
Presto	\$2.10	\$2.10	0%
10 Ride Tickets	\$21.00	\$21.00	0%
Monthly Pass	\$65.00	\$65.00	0%
Co-Fare Link with Go Transit ⁵			
Cash	\$0.80	\$0.80	0%
Presto Co Fare	\$0.80	\$0.80	0%
Access Pass			
Monthly Pass	\$46.00	\$46.00	0%

Notes:

¹ Adult monthly pass is transferrable provided it is not used at the same time (no pass back).

² Age 65 and over.

³ Age 13 to 19 inclusive.

⁴ Age 6 to 12 inclusive (Age 5 and younger ride free)

⁵ Agreement with GO Transit where a reduced PRESTO and cash fare are accepted when presenting a valid PRESTO card, GO Transit day pass or single ride ticket. GO Transit reimburses DRT up to 75% of the adult ticket fare.