

The Regional Municipality of Durham

MINUTES

DURHAM REGION TRANSIT EXECUTIVE COMMITTEE

Thursday, February 1, 2018

A regular meeting of the Durham Region Transit Executive Committee was held on Thursday, February 1, 2018 in Meeting Room LL-C, Lower Level, Regional Headquarters Building, 605 Rossland Road East, Whitby, Ontario at 9:38 AM

Present: Commissioner Collier, Vice-Chair, attended the meeting at 10:02 AM
Commissioner Henry
Commissioner O'Connor
Commissioner Mitchell
Commissioner Pickles attended the meeting at 9:45 AM
Commissioner Smith
Commissioner Woo

Also

Present: Commissioner Chapman

Absent: Regional Chair Anderson, Chair
Commissioner Rowett was absent due to illness

Staff

Present: G.H. Cubitt, Chief Administrative Officer
V. Patterson, General Manager, Durham Region Transit
R.J. Clapp, Treasurer, Durham Region Transit, and Commissioner of Finance
L. Hatch, Marketing Assistant, Durham Region Transit
W. Holmes, Deputy General Manager, Operations, Durham Region Transit
A. McKinley, Deputy General Manager, Maintenance, Durham Region Transit
A. Naeem, Solicitor, Corporate Services – Legal
C. Norris, Manager, Customer Service, Planning, Durham Region Transit
N. Pincombe, Director, Business Planning, Economic Studies & Risk Management, Finance Department
M. Simpson, Director, Financial Planning and Purchasing, Finance Department
S. Tsenis, Economic Analyst 2, Finance Department
A. Wismer, Economic Analyst 2, Finance Department
T. Fraser, Committee Clerk, Corporate Services – Legislative Services
C. Tennisco, Committee Clerk, Corporate Services – Legislative Services

In the absence of the Committee Chair and Vice-Chair, the Committee Clerk called for a motion to appoint an Acting Chair for the meeting.

Moved by Commissioner Mitchell, Seconded by Commissioner Smith,
(1) That Commissioner Henry be appointed as Acting Chair of the
Durham Region Transit Executive Committee for this meeting.
CARRIED

1. Adoption of Minutes

Moved by Commissioner O'Connor, Seconded by Commissioner Smith,
(2) That the minutes of the November 30, 2017 Durham Region
Transit Executive Committee meeting be adopted.
CARRIED

2. Declarations of Interest

There were no declarations of interest.

3. Delegations

There were no delegations to be heard.

4. Presentations

A) Vincent Patterson, General Manager, and R.J. Clapp, Treasurer, Durham Region Transit, Re: 2018 Durham Region Transit (DRT) Servicing and Financing Study

V. Patterson and R.J. Clapp provided a PowerPoint presentation on the 2018 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 2017 DRT operational considerations. Highlights of these considerations included:

- 2018: Continue Implementation of DRT's Service Strategy, Address Cost Pressures
- "Bus Full": Strike and Adjusted College Terms Have Contributed to Reduction in the Fall

R.J. Clapp provided an overview of the 2017 DRT financial considerations. Highlights of these considerations included:

- Servicing and Financing Study: Service Projection (2018-2027)
- DRT Capital Forecast (2018-2027)
- DRT Capital Forecast Financing Impact on Debt
- DRT Conventional Fleet Age Distribution 2017

- DRT Conventional Fleet Age Distribution 2018
- 2018 DRT Budget Highlights
- Proposed 2018 DRT Capital Budget
- DRT Fares
- PRESTO: Fee and Ridership Forecast
- 2018 Transit Property Tax Impacts
- Pressures and Risks Over Forecast
- Conclusions

Staff responded to questions with respect to whether there are plans to use electric buses in the future; whether requirements for electric buses are being built into new bus facilities; customer uptake of the new on-demand service in north Durham; staff availability for the on-demand service; the on-demand trips from Cannington to Lindsay and the possibility of expanding the route to service Fleming College and the Lindsay Recreation facility; whether the on-demand service is integrated with specialized services in north Durham; whether there are plans to use articulated buses in the future; the announcement to increase provincial gas tax funding; and whether the potential increase in gas tax funding has been included in the proposed 2018 DRT budget.

Commissioner Collier, Vice-Chair, attended the meeting at 10:02 AM and assumed the Chair for the remainder of the meeting.

5. Correspondence

There was no correspondence to be considered.

6. General Manager's Reports

- A) Amendment to the Provincial Transit Expansion Funding Agreement for the Phase 1 Highway 2 Bus Rapid Transit Quick Win Project (PULSE) [\(2018-DRT-01\)](#)
-

Report #2018-DRT-01 from V. Patterson, General Manager, Durham Region Transit, was received.

Moved by Commissioner Henry, Seconded by Commissioner Woo,
(3) That Report #2018-DRT-01 of the General Manager of Durham Region Transit be received for information.

CARRIED

This matter was provided to Regional Council as Information Report #2018-INFO-15 on the Council Information Package of January 26, 2018.

B) Transit Shelter Advertising Contract Award (2018-DRT-02)

Report #2018-DRT-02 from V. Patterson, General Manager, Durham Region Transit, was received.

Moved by Commissioner O'Connor, Seconded by Commissioner Henry,
(4) That the Durham Region Transit Executive Committee approve the negotiated agreement with Pattison Outdoor Advertising for advertising on DRT bus shelters for a term of three years to March 31, 2021, with an option to extend for up to two years, with the following provisions:

- i) A guaranteed fixed monthly payment of \$51,520, from Pattison Outdoor Advertising to the Region;
 - ii) Annual Payments of 50 per cent of Pattison Outdoor Advertising's annual cumulative net sales less the annual total of guaranteed fixed payments; and
 - iii) Cleaning shelters to be the responsibility of the Region.
- CARRIED

This matter will be considered by the Committee of the Whole on February 6, 2018 and presented to Regional Council on February 14, 2018 as Item #4 of the Second Report of the Committee of the Whole.

C) 2018 Durham Region Transit (DRT) Servicing and Financing Study (2018-DRT-03)

Report #2018-DRT-03 from V. Patterson, General Manager, Durham Region Transit, was received.

Moved by Commissioner Henry, Seconded by Commissioner Smith,
(5) That we recommend to the Committee of the Whole for subsequent recommendation to Regional Council:

- A) That the proposed 2018 DRT service improvements, and efficiencies (Schedule 2 to Report #2018-DRT-03) be approved for implementation in April and July 2018 at a net cost of \$499,651 in 2018, or \$1,047,489 million annualized as follows:

Table 1: 2018 Service Changes

	2018		Annualized	
	Revenue Hours of Service	Net Cost	Revenue Hours of Service	Net Cost
Service Improvements	10,523	\$989,223	20,465	\$1,931,320
Service Efficiencies	(5,220)	(\$489,571)	(9,532)	(\$883,831)
Net Change in Service	5,303	\$499,651	10,933	\$1,047,489

- B) That in accordance with Regional Council approved service standards, the list of currently underperforming routes, and the recommended actions for the underperforming routes, be received for information, as follows:

Table 2: Actions for Underperforming Routes

Route (Municipality)	Minimum Boarding Per Hour Standard	2017 Boardings per Hour	2018 Revenue Hours of Service	Estimated 2018 Operating Cost	Recommended 2018 Action
Local Routes					
420 – Britannia West (Oshawa)	7	6.6	1,266	\$115,301	Service recently introduced in September 2017. The 2018 Service Plan includes a route and trip enhancement.
318 – Garden-West Lynde (Whitby)	7	6.1	828	\$73,946	In 2018, DRT plans to replace the route with the introduction of expanded service on Routes 301 and 303.
603 - Pickering – Uxbridge (Pickering/Uxbridge)	7	2.4	1,512	\$151,076	Continue service and monitor performance.
601 – Brock – Uxbridge (Brock/Uxbridge)	7	2.2	2,255	\$240,220	Continue service and monitor performance.
960 – Newmarket-Uxbridge (Newmarket/Uxbridge)	7	1.8	1,025	\$113,702	Continue service and monitor performance.
Community Routes					
199 – Claremont	4	3.0	0	0	No further actions. In September 2017, service was replaced with Route 603, providing service between Uxbridge and Pickering via Claremont every weekday
Total			6,886	\$694,245	

- C) That in order to establish the service level that forms DRT's proposed 2018 Business Plan and Budget, the following be approved:
- i) DRT's transit service level at 526,627 revenue hours of service (a 3.2 per cent increase from 510,070 hours in 2017), which includes annualization of the 2017 service enhancements and the proposed service enhancements and efficiencies to be implemented in April and July 2018 (Schedule 6 and Appendix 4 to Report #2018-DRT-03);

- ii) The specific routes that comprise the 526,627 revenue hours of service as shown on Schedule 6 to Report #2018-DRT-03; and
 - iii) Regional Council approval of any service adjustments to routing beyond the approved revenue hours of service continue to be required, given the impact on Regional transit property taxes;
- D) That effective May 1, 2018, the Adult PRESTO/Ticket fare be increased from \$3.10 to \$3.15, which is estimated to generate approximately \$106,000 in new fare revenue based on DRT's 2018 ridership forecast of 10.48 million riders, unchanged from 2017 budgeted levels;
- E) That Durham Region Transit's Nine Year Capital Forecast (2019-2027) in the amount of \$297.4 million (Appendix 5 to Report #2018-DRT-03) be received for information;
- F) That as requested by the Transit Executive Committee, the performance results of the North Service Strategy be received for information (Schedule 3 to Report #2018-DRT-03); and
- G) That the response to Council's request for information on Access Pass holders' use of Specialized Services as noted in Report #2018-DRT-03 (Section 3.4) be received for information.

CARRIED

This matter will be considered by the Committee of the Whole on February 6, 2018 and presented to Regional Council on February 14, 2018 as Item #6 of the Second Report of the Committee of the Whole.

- D) 2018 Durham Region Transit Business Plan and Budget (2018-DRT-04)
Report #2018-DRT-04 from V. Patterson, General Manager, Durham Region Transit, was received.

Moved by Commissioner Henry, Seconded by Commissioner Woo,

- (6) That we recommend to the Committee of the Whole for subsequent recommendation to Regional Council:
- A) That the 2018 Durham Region Transit Business Plan and Budget with a net expenditure of \$55.8 million be approved;
 - B) That the 2018 Regional Capital Expenditure Program for Durham Region Transit in the amount of \$16.97 million and the associated financing as detailed below be approved:

Durham Region Transit Proposed 2018 Capital Budget

CAPITAL EXPENDITURE		2018	
		#	\$(000's)
<u>GROWTH RELATED BUSES</u>			
New Conventional Buses		4	2,272
Non Revenue Service Vehicle		1	35
Subtotal		5	2,307
<u>FACILITIES</u>			
New Indoor Bus Storage/Servicing Facility		0	4,250
Shop Equipment		0	34
Subtotal		0	4,284
<u>REPLACEMENT/REHABILITATION CAPITAL</u>			
New Conventional Buses ⁽¹⁾		16	8,436
Specialized Services Buses ⁽¹⁾		4	493
Supervisor/Service Vehicle		3	185
Subtotal		23	9,114
<u>OTHER SYSTEM IMPROVEMENTS</u>			
Additional PRESTO for Buses		4	56
Additional PRESTO for Specialized Services		45	90
Additional Fareboxes/Radios for Buses		4	76
Additional ITS Annunciators for Buses		4	60
Hard Surface Paving		25	190
AODA Built Environment Transit Shelters		9	59
PRESTO INIT		16	219
Smart Technology Upgrades/Facilities		0	513
Subtotal		107	1,263
TOTAL CAPITAL PROGRAM		135	16,968
Public Transit Infrastructure Fund (PTIF) Funding			(3,045)
CAPITAL PROGRAM NET PTIF FUNDING			13,923

Note (1) 11 conventional replacement buses (\$5,596,250) and 4 replacement specialized vehicles (\$492,460) have received pre-budget approval (2017-DRT-07 and 2017-DRT-10) and have been procured in the 2017 bus order

Sources of 2018 Capital Budget Financing

SOURCE OF FINANCING	2018 \$(000's)
Property Taxes	1,184
Development Charges	4,787
Ontario Gas Tax	6,665
Debt	1,288
Public Transit Infrastructure Fund	3,045
TOTAL CAPITAL FINANCING	16,968

*tables may not add due to rounding

- C) That the Capital Forecast for the period 2019 to 2027, inclusive, in the amount of \$297,421 million as detailed below be received for information only:

Durham Region Transit Proposed 2019-2027 Capital Forecast

Capital Expenditures	2019		2020		2021		2022		2023		2024 - 2027		Total	
	#	\$	#	\$	#	\$	#	\$	#	\$	#	\$	#	\$
Growth Related Vehicles	17	9,288	19	10,424	17	9,288	19	10,424	17	9,480	59	32,776	148	81,680
Replacement Vehicles	26	8,058	27	8,093	25	7,983	27	8,073	27	8,053	105	32,267	237	72,527
Facilities														
New Indoor Bus Storage/Service Facility		0		50,500		0		0		0		37,300		87,800
New Facility in Seaton Phase 1		0		0		0		0		25,000		0		25,000
Raleigh Office Replacement		0		0		1,030		0		0		0		1,030
Other		203		0		12		0		0		25		240
Sub total		203		50,500		1,042		0		25,000		37,325		114,070
System Improvements	418	6,307	144	3,033	136	2,897	144	3,033	136	2,897	508	10,976	1,486	29,144
TOTAL EXPENDITURES	461	23,856	190	72,050	178	21,210	190	21,530	180	45,430	672	113,344	1,871	297,421

*totals may not add due to rounding

Notes:

- ¹ System improvements include shelters, hard surface paving, equipment for buses (PRESTO, radios, fare boxes, annunciators, cameras, etc.) and other miscellaneous items.

CARRIED

This matter will be considered by the Committee of the Whole on February 6, 2018 and presented to Regional Council on February 14, 2018 as Item #7 of the Second Report of the Committee of the Whole.

7. **Confidential Matters**

There were no confidential matters to be considered.

8. **Advisory Committees**

A) Durham Region Transit Advisory Committee Minutes

Commissioner Collier advised that a few members of the Transit Advisory Committee have recently resigned.

Moved by Commissioner Smith, Seconded by Commissioner Henry
(7) That the minutes of the Transit Advisory Committee meeting held on December 12, 2017 be received for information.

CARRIED

9. Outstanding Items

There were no outstanding items to be considered.

10. Other Business

A) Durham Region Transit Executive Committee 2018 Meeting Schedule

Durham Region Transit Executive Committee meetings for 2018 will be held on Thursday commencing at 9:30 AM on the following dates:

- February 1, 2018
- March 22, 2018
- May 3, 2018
- June 14, 2018
- September 6, 2018

B) PRESTO Agreement Update

V. Patterson advised that there has been a challenge related to procurement. He noted that the Transit General Managers' will be meeting on February 2, 2018 and with Metrolinx the week of February 5, 2018, to address the challenge and understand implications. He added that additional information should be available in two weeks.

C) December 2017 DRT Schedule

Commissioner Collier advised that due to the Durham College strike, the end of the fall semester was extended to December 22, 2017. He noted that the frequency of service to Durham College/UOIT was reduced at the end of the regular fall semester and did not continue for the extension of the college semester. He asked about the possibility of a contingency plan in the event of a future strike and extension of a semester.

V. Patterson advised that service hours are scheduled for the year and the frequency of service is based on regular demand patterns. He noted that service was at the regular seasonal level.

D) DRT Specialized Services Incident

Commissioner Collier advised that there was an incident in December with a specialized services customer who experienced an issue with the Specialized Services Call Centre and pick-up by a taxi contractor. He noted that the customer arranged to take a taxi to their medical appointment at a cost of \$65 and is now seeking reimbursement. Commissioner Collier asked what the practice is when the call centre is unable to handle the call volume and our taxi contractor does not show up.

V. Patterson advised that the average wait time for calls in the Specialized Services Call Centre is 1.2 minutes and on this specific morning the customer was on hold for 30 minutes. He stated that this incident has pointed out that there is an issue within the structure of the phone system and there is no way for dispatchers to know how long callers have been on hold. He added that this is being addressed internally and with Telus.

V. Patterson urged the Committee to consider what would happen if Durham Region Transit was to begin reimbursing people for incidental expenses. He added that he is not aware of any other common carrier that reimburses incidental expenses.

E) Communications and Social Media Coordinator Position

Commissioner Mitchell requested that once the Communications and Social Media Coordinator is hired, that there be a discussion about their functions and how they can support the Committee with handling issues and complaints on social media.

11. Date of Next Meeting

The next regularly scheduled Durham Region Transit Executive Committee meeting will be held on Thursday, March 22, 2018 at 9:30 AM in Meeting Room LL-C, Lower Level, at Regional Headquarters, 605 Rossland Road East, Whitby.

12. Adjournment

Moved by Commissioner Henry, Seconded by Commissioner Woo,
(8) That the meeting be adjourned.

CARRIED

The meeting adjourned at 10:37 AM.

S. Collier, Vice-Chair

C. Tennisco, Committee Clerk