



Minutes

Toronto Transit Commission Board

Meeting No.: 2026

Meeting Date: Tuesday, June 12, 2018

A meeting of the TTC Board was held in Committee Room 2, Toronto City Hall, 100 Queen Street West, Toronto, Ontario on Tuesday, June 12, 2018 commencing at 10:00 a.m. The meeting recessed at 10:03 a.m. to meet as the Committee of the Whole. The Board reconvened the public session at 1:08 p.m.

Present at Committee of the Whole

J. Colle (Chair), A. Heisey, Q.C. (Vice-Chair), J. Campbell, G. De Baeremaeker, J. De Laurentiis, M. Fragedakis, R. Lalonde, J. Mihevc and D. Minnan-Wong (Members), R. Leary, J. Fraser, C. Greenwood, J. O'Grady, G. Piemontese, B. Ross, J. Ross, S. Reed Tanaka, J. Taylor, K. Watson, D. Wright, S. Conforti, B. Leck, K. Lee and C. Finnerty.

T. Baik and C. Bergquist were present for Item 4.

V. Guzzo, P. Kraft, R. Rosati (TTC), T. Park and B. Iozzo (City Real Estate Services) were present for Item 5.

S. Fortin (TTC), J. Vince and G. Davidian (Willms & Shier) were present for Item 28 as it related to safety matters.

B. Leck, G. Piemontese, Z. Nettleton, M. Russell, K. Lee and C. Finnerty were present for Item 28 as it related to employment matters.

D. Magisano (Mayor's Office) and D. Stewart (Chair's Office) were also present.

J. Colle was in the Chair.

Present at Public Session

J. Colle (Chair), A. Heisey, Q.C. (Vice-Chair), J. Campbell, G. De Baeremaeker, J. De Laurentiis, M. Fragedakis, R. Lalonde, J. Mihevc and D. Minnan-Wong (Members), R. Leary (Chief Executive Officer – Acting), J. Fraser (Acting Deputy Chief Operating Officer), C. Greenwood (Acting Chief Service Officer), M. MacRae (Executive Director – Human

Resources), J. O'Grady (Chief Safety Officer), G. Piemontese (Chief People Officer), S. Reed Tanaka (Chief Capital Officer), B. Ross (Executive Director – Corporate Communications), J. Ross (Acting Chief Operating Officer), J. Taylor (Chief of Staff), K. Watson (Chief Customer Officer/Deputy CEO), D. Wright (Chief Financial Officer), B. Case (Head – Vehicle Programs), S. Conforti (Head of Finance/Treasurer), A. Foster (Head – Farecard Team), B. Leck (Head of Legal and General Counsel), C. Salvador (Head – Revenue Operations), R. Wong (Head – Streetcar Maintenance & Infrastructure), K. Lee (Head - Commission Services) and C. Finnerty (Co-ordinator – Secretariat Services) were present.

J. Colle was in the Chair.

Declaration of Interest - Municipal Conflict of Interest Act

Nil

Minutes of the Previous Meeting

Commissioner Campbell moved that the Board approve the minutes of the meeting held on Tuesday, May 8, 2018.

The motion by Commissioner Campbell carried.

Business Arising Out of the Minutes

Nil

Public Presentations

Item No. 7 Scarborough Subway Extension - Memorandum of Understanding with Scarborough and Rouge Hospital

Hamish Wilson

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

Item No. 13 PRESTO Update and Transition Overview

Michael Rosenberg
Adam Roy Cohoon
Hamish Wilson

The Board received the deputation for information.
(See Item No. 13 for minute)

Item No. 14 Supply, Installation and Maintenance of Fare Gates for PRESTO – Contract Amendment

Emily Daigle

The Board received the deputation for information.
(See Item No. 14 for minute)

Item No. 16 Benefits of Side-Entry Accessible Taxicabs in Toronto

Peter Athanasopoulos

The Board received the deputation for information.
(See Item No. 16 for minute)

Item No. 20 Yonge Subway Extension – Tunnel Design

Hamish Wilson

The Board received the deputation for information.
(See Item No. 20 for minute)

Item No. 25 Notice of Motion: Community Concerns and Bus Routes on Local Roads – Review & Consideration of the Use of Electric Vehicles

Alan Yule

The Board received the deputation for information.
(See Item No. 25 for minute)

Item No. 26 Green Bus Technology Plan Update

Alan Yule

The Board received the deputation for information.
(See Item No. 26 for minute)

Presentations/Reports/Other Business

1. Chief Executive Officer's Report – June 2018 Update

The Board received the Chief Executive Officer's Report – June 2018 Update for information.

2. Approved Minutes of the Advisory Committee on Accessible Transit (ACAT) General Monthly Meeting for April 26, 2018

ACAT Chair Raymond Dell'Aera introduced this item.

Following the ACAT Chair's comments the Board received for information the approved minutes from the Advisory Committee on Accessible Transit (ACAT) General Monthly Meeting of April 26, 2018.

3. Rebuild and Redesign of TTC.ca

B. Ross, Executive Director – Corporate Communications introduced the item. D. Brown, Head of Customer Communications presented the new TTC.ca website to the Board.

The Board received the presentation for information.

4. Toronto-York Spadina Subway Extension (TYSSE) Claims Settlement Update

It is recommended that:

1. The Board receive a confidential update related to the status of TYSSE claims settlement.
2. Authorize that the information provided in the confidential update is to remain confidential in its entirety as it contains information or communication that is subject to solicitor – client privilege.

Approved

5. Acquisition of Additional Lands for Subway Yard

It is recommended that the Board:

1. Approve the recommendation as set out in the Confidential Attachment; and
2. Maintain the confidential information set out in the Confidential Attachment until such time as the agreement(s) are in place.

Approved

6. Scarborough Subway Extension Tunnel and Emergency Exits Property Acquisition

Chair Colle moved the staff recommendations. Commissioner Fragedakis requested a recorded vote on this item.

It is recommended that the Board:

1. Approve the recommendations set out in the Confidential Attachment; and

2. Maintain the confidentiality of the information set out in the Confidential Attachment until there has been a final determination of all property transactions and claims for compensation related to the Scarborough Subway Extension Project.

In favour: Chair Colle, Vice-Chair Heisey, Commissioners Campbell, De Baeremaeker, De Laurentiis, Lalonde

Opposed: Commissioner Fragedakis

The motion by Chair Colle carried on a vote of 6-1.

7. Scarborough Subway Extension – Memorandum of Understanding with Scarborough and Rouge Hospital

It is recommended that:

1. The Board approve the recommendation set out in the Confidential Attachment; and
2. Maintain the confidentiality of the information set out in the Confidential Attachment until there has been a final determination of all property transactions and claims for compensation related to the Scarborough Subway Extension Project.

Approved

8. Auditor General's Report: Managing Telecommunications Contracts and Payments

The Board adopted the Auditor General's recommendations, as follows:

The Auditor General recommends that:

1. The Board request the Chief Executive Officer, Toronto Transit Commission, to work collaboratively with the City Chief Information Officer to evaluate the existing wireless service contracts for best value based on current needs. Staff should be advised to use telecommunication services contracts that offer the best value subject to terms and conditions.
2. The Board request the Chief Executive Officer, Toronto Transit Commission, to expedite the evaluation of the land lines excluded from Phase 1 VOIP implementation, and a detailed plan should be developed for implementation of VOIP throughout the TTC to achieve intended savings.
3. The Board request the Chief Executive Officer, Toronto Transit Commission, to develop and implement procedures to:

- a. Maintain an up to date inventory of all telecommunication services (wireless plans, land lines, cellular modem subscriptions and communication circuits)
 - b. Identify and disconnect unused telecommunication services (wireless plans, land lines, cellular modem subscriptions and communication circuits) on a timely basis. Information reports, such as phones with no activity and staff with multiple phone lines should be developed for ongoing periodic review.
4. The Board request the Chief Executive Officer, Toronto Transit Commission, to review and evaluate the unused telecommunication services identified during the audit, and terminate those services that are no longer needed.
5. The Board request the Chief Executive Officer, Toronto Transit Commission, to develop a procedure to have end-user department staff review and verify telecommunication service invoices before payment.
6. The Board request the Chief Executive Officer, Toronto Transit Commission, to ensure staff are fully aware of the telecommunication contract clauses, and that services and payments are managed accordingly. The staff should be provided with copies of the current telecommunication contracts and be informed of ongoing changes.
7. The Board request the Chief Executive Officer, Toronto Transit Commission, to:
 - a. Update current invoice verification procedure to include the use of available electronic data provided by vendors
 - b. Ensure staff conduct detailed invoice verification as per the documented invoice verification procedure.
8. The Board request the Chief Executive Officer, Toronto Transit Commission, to work with the vendors to obtain credits or refunds for overpayments identified during the audit.
9. The Board request the Chief Executive Officer, Toronto Transit Commission, to evaluate, in the light of overpayments and incorrect charges identified during the audit, whether a review of prior period payments and charges is needed. A temporary summer student could be hired to complete such a review, once a review period is determined.
10. The Board request the Chief Executive Officer, Toronto Transit Commission, to obtain missing telecommunication service pricing agreements identified during the audit, and ensure that all payments adhere to the agreed prices. The overpayments, if any relating to prior periods should be recovered from the vendors accordingly.

11. The Board request the Chief Executive Officer, Toronto Transit Commission, to implement a process for TTC capital projects involving information technology work to ensure:
 - a. IT Services Department is consulted for technology related work
 - b. Detailed estimates are prepared during planning, and adequately reviewed prior to the award of the work
 - c. Purchase orders are issued on a timely basis prior to the start of the work
 - d. Adequate documentation is obtained before payments are approved.
12. The Board request the Chief Executive Officer, Toronto Transit Commission, to implement a telecommunication inventory management system to track all wireless devices and equipment from time of purchase to disposal.
13. The Board request the Chief Executive Officer, Toronto Transit Commission, to implement policies and procedures relating to:
 - a. Enrollment of devices on wireless device management application
 - b. Requiring timely return of existing wireless devices when new devices are issued
 - c. Tracking of returned devices, ensuring timely deletion of corporate data on returned devices and maintaining records of data deletion.
14. The Board forward this report to City Council for information through the City's Audit Committee.

9. Auditor General's Report – Results of Outstanding Audit Recommendations

The Board received this item for information.

10. PricewaterhouseCoopers LLP Audit Results Report on the Toronto Transit Commission Consolidated Financial Statements for the Year Ended December 31, 2017

It is recommended that the TTC Board:

1. Approve this report; and
2. Approve forwarding a copy of this report to the City Clerk for appropriate handling.

Approved

11. Draft Consolidated Financial Statements of Toronto Transit Commission for the Year Ended December 31, 2017

It is recommended that the Board:

1. Approve this report; and
2. Approve forwarding a copy of the approved consolidated financial statements to the City Clerk for appropriate handling.

Approved

12. Financial Update for the Period Ended April 7, 2018

The Board received this item for information.

13. PRESTO Update and Transition Overview

Commissioner De Laurentiis moved the following motion:

That the PRESTO device and system performance assessment incorporate analytical information on the granular customer experience, particularly areas creating barriers to adoption, for example, ease of loading the card, provision of transfers, etc. with the objective of creating an intuitive customer experience.

The motion by Commissioner De Laurentiis carried and the staff recommendations were adopted, as follows:

It is recommended that the Board:

1. Endorse the PRESTO Transition Plan presented in this report;
2. Authorize a contract upset limit in the amount of \$2,700,000 with Giesecke & Devrient Systems Canada Inc. for the supply of legacy fare media cards, with the expected actual requirement likely not exceeding \$1,000,000 should the order be required.
3. Direct TTC staff to include the required transitional costs in the 2019 TTC Operating Budget, currently estimated at \$19,500,000;
4. Direct staff to forward a copy of this report to the City Manager - City of Toronto, and Metrolinx.

Approved

Correspondence submitted by: Michael Rosenberg; Justin Davis; John Deacon

14. Supply, Installation and Maintenance of Fare Gates for PRESTO – Contract Amendment

It is recommended that the TTC Board:

- 1. Approve the award of a contract amendment increasing the upset limit by \$54.7M (to a total of \$92.4M which includes the purchase of the fare gates) for the provision of maintenance services until the end of 2025 and additional implementation services from S&B, in accordance with the TTC’s contract with S&B for the Supply and Install of Fare Gates, including services as follows:
 - a. \$51.3M of operating cost for maintenance services until the end of 2025.
 - b. \$3.4M of capital cost for backend system, networking set-up and other implementation costs including change notices.

Approved

15. Toronto Parking Authority Contract – TTC Commuter Parking

It is recommended that the Board:

- 1. Delegate authority to the CEO to finalize and enter into a Parking Lot Maintenance and Operating Contract with the Toronto Parking Authority for a term of 10 years (beginning July 1, 2018) with an upset limit of \$44,000,000 consistent with the principles set out in this Report.

Approved

16. Benefits of Side-Entry Accessible Taxicabs in Toronto

It is recommended that the Board:

- 1. Receive this report for information.

Approved

17. Track Maintenance Contract

It is recommended that the Board authorize:

- 1. Award of a contract for Rail Milling Services for the TTC mainline for the duration of three years from notification of award to Rhomberg, in the upset limit amount of \$11,260,000 inclusive of all taxes, on the basis of the only acceptable submission.

Approved

18. Supply of Microsoft Software

It is recommended that:

1. The Board authorize the issuance of a contract amendment to PU283574 with Softchoice LP, for the supply of Microsoft software, to increase the original award amount of \$4,998,617.90 by \$7,901,382.10 resulting in a revised upset limit amount of \$12,900,000.00, inclusive of HST.

Approved

19. Supply of Various Safety Products

It is recommended that the Board authorize:

1. A one-year period extension from July 11, 2018 to July 10, 2019 for the supply of various safety products.
2. Additional funds in the amount of \$4,290,000 to carry the contract to the proposed contract expiry date of July 10, 2019.

Approved

20. Yonge Subway Extension – Tunnel Design

It is recommended that the Board:

1. Authorize the award of Contract Y85-13 for Tunnel Design – Yonge Subway Extension to Hatch Corporation in the upset limit amount of \$16,000,000 on the basis of the highest total weighted score.

Approved

21. Easier Access III – Award of Contracts during Municipal Election

The Board received this item for information.

22. TTC Pension Fund Society 2017 Annual Report

The Board received this item for information.

23. Outstanding Board Items

The Board received this item for information.

24. Notice of Motion – Establishing the “TTC Random Acts of Kindness” Awards

Commissioner Mihevc moved the following motion:

That the TTC staff explore the idea of a “Random Acts of Kindness” awards programs, or some similar idea or branding, and report to the TTC Commission early in 2019.

The motion by Commissioner Mihevc carried.

25. Notice of Motion – Community Concerns and Bus Routes on Local Roads – Review & Consideration of the Use of Electric Vehicles

Commissioner Fragedakis moved the following motion:

1. TTC Staff review the operations of the 75 Sherbourne Bus to see how electric buses and other measures could minimize the impacts along the residential neighbourhoods through which they operate. Such a review would include community outreach, as well as recommendations on a deployment plan along key routes across the city particularly neighbourhoods experiencing similar issues.
2. TTC Staff to report on the ebus roll-out plan including details on charging stations and infrastructure requirements and considers the feasibility of prioritizing the use of electric buses on routes that run on local and collector roads.

The motion by Commissioner Fragedakis carried.

26. New Streetcar Program – Request for Information (RFI) for 60 Additional Streetcars

Commissioner Mihevc moved that this report be deferred to the next regular meeting of the TTC Board currently scheduled for Tuesday, July 10, 2018.

The motion by Commissioner Mihevc carried.

27. Green Bus Technology Plan Update

Commissioner Mihevc moved the following motion. The Board requested that the clauses be voted on separately.

1. Recognizing that the bus fleet plan addresses projected ridership to improve service and promote further ridership growth, staff is requested to advance a 9th garage.

The motion by Commissioner Mihevc carried.

2. TTC confirm its target for procurement of only zero emissions propulsion technology starting in 2025 and define zero emissions propulsion technology as fossil fuel free; and

The motion by Commissioner Mihevc carried.

3. In light of the new information presented in this report, the TTC Board withdraw its direction issued on November 13, 2017 regarding the requirement for staff to report back on the transition from end-of-life diesel buses to Compressed Natural Gas (CNG).

The motion by Commissioner Mihevc lost.

Commissioner De Baeremaeker moved the following motion:

That the TTC use the lowest emission fuel to power any back-up generator at TTC garages.

The motion by Commissioner De Baeremaeker lost.

Chair Colle moved the staff recommendations, as amended:

It is recommended that:

1. Staff exercise contract options to increase the procurement quantity of eBuses from 30 to 60 and work with Toronto Hydro on the design and installation of associated charging infrastructure (i.e. chargers and energy storage system), revising the project budget from \$50 million to an estimated \$120 million based on the following:
 - a. Award of contract options will be based on negotiating an acceptable agreement satisfactory to the TTC General Counsel with suppliers of the 30 eBuses;
 - b. All 60 eBuses are to be delivered no later than March 31, 2020 in order to ensure that the buses are eligible for PTIF funding.
2. The Board delegate authority to the TTC CEO to work with Toronto Hydro in modifying one of TTC's bus garages to accommodate up to 300 zero emissions (or near zero emissions) buses through the supply of a substation and a backup generator for an estimated project cost of \$18 million based on the following:
 - a. Recognizing that procurement, installation, and commissioning of a substation takes approximately two and a half years, staff is to work within PTIF guidelines to capture as much of the substation procurement cost as possible prior to the March 31, 2020 deadline;
 - b. The backup generator is to be delivered no later than March 31, 2020 in order to ensure that it is eligible for PTIF funding.
3. Staff return to the TTC Board in Q1 of 2019 with an information report providing award details and a project status update with respect to Recommendation Nos. 1 and 2.

4. Staff conduct a garage-by-garage feasibility study at an estimated cost of \$2 million and return to the TTC Board in Q4 of 2019 outlining preliminary estimates for the total costs, benefits, and potential funding opportunities associated with the green bus plan.

28. Legal Advice on Employment Related Matters

Chair Colle moved that the Board adopt the action taken in camera.

The motion by Chair Colle carried.

The meeting adjourned at 4:34 p.m.