



Transit Executive Committee Agenda

Wednesday, March 6, 2024, 1:30 p.m.

Regional Council Chambers

Regional Headquarters Building

605 Rossland Road East, Whitby

If this information is required in an accessible format, please contact 1-800-372-1102 ext. 2097.

Note: This meeting will be held in a hybrid meeting format with electronic and in-person participation. Committee meetings may be [viewed via live streaming](#).

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5.1 Joell Vanderwagen, Oshawa Resident Re: General Policies regarding Route Plans and Service Levels	
5.2 Patrick Ferguson, Durham Resident Re: Bus Cancellation without Advisory	
5.3 Tega Ubor, Vice President, Ontario Tech Student Union Re: 2024 Durham Region Transit Business Plan and Budget (2024-DRT- 05) [Item 7.2]	
5.4 Samantha Brown, President, Ontario Tech Student Union Re: 2024 Durham Region Transit Business Plan and Budget (2024-DRT-	

05) [Item 7.2]

- 5.5 Angelique Dack, Ontario Tech Student (In-Person Attendance)
Re: 2024 Durham Region Transit Business Plan and Budget (2024-DRT-05) [Item 7.2]

6. Correspondence

7. Reports

- 7.1 Report #2024-DRT-04 10
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2024 Durham Region Transit Business Plan and Budget

8. Advisory Committee Resolutions

There are no advisory committee resolutions to be considered

9. Confidential Matters

There are no confidential matters to be considered

10. Other Business

11. Date of Next Meeting

Wednesday, April 3, 2024 at 1:30 PM

12. Adjournment

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The Regional Municipality of Durham

MINUTES

DURHAM REGION TRANSIT EXECUTIVE COMMITTEE

Wednesday, February 7, 2024

A regular meeting of the Durham Region Transit Executive Committee was held on Wednesday, February 7, 2024 in the Council Chambers, Regional Headquarters Building, 605 Rossland Road East, Whitby, Ontario at 1:30 PM. Electronic participation was offered for this meeting.

1. Roll Call

Present: Commissioner Crawford, Chair
Commissioner Schummer, Vice-Chair*
Commissioner Anderson
Commissioner Brenner
Commissioner Garrod*
Commissioner Roy, left meeting at 2:28 PM
Commissioner Wotten
Regional Chair Henry
***denotes Commissioners participating electronically**

Absent: Commissioner Carter

Also

Present: Commissioner Jubb*
Commissioner Kerr*
Commissioner McDougall*
Commissioner Pickles*
***denotes visiting Commissioners participating electronically**

Present: S. Ciani, Committee Clerk, Corporate Services – Legislative Services
A. Chung, Systems Support Specialist, Corporate Services – IT
S. Dessureault, Committee Clerk, Corporate Services – Legislative Services
W. Holmes, General Manager, Durham Region Transit
K. Hornburg, Deputy General Manager, Business Services
J. Kilgour, Deputy General Manager, Maintenance, Durham Region Transit
N. Lysaght, Manager, Policy and Planning, Durham Region Transit
A. Naeem, Solicitor, Legal Services*
Z. Osime-Fakolade, Program Manager, Community Engagement and Change Management, Durham Region Transit
N. Taylor, Treasurer, Durham Region Transit, and Commissioner of Finance*
V. Walker, Committee Clerk, Corporate Services – Legislative Services
*** denotes staff participating electronically**

2. Declarations of Pecuniary Interest

There were no declarations of pecuniary interest.

3. Adoption of Minutes

Moved by Commissioner Brenner, Seconded by Commissioner Anderson,
(1) That the minutes of the regular Durham Region Transit Executive
Committee meeting held on Wednesday, December 6, 2023, be adopted.
CARRIED

4. Presentations

4.1 Bill Holmes, General Manager, Durham Region Transit, re: General Manager's Verbal Update

Bill Holmes, General Manager, Durham Region Transit (DRT) provided a PowerPoint presentation regarding the General Manager's Update.

Highlights from the presentation included:

- February General Manager (GM) Information Highlights
 - 2023 Performance Outcomes
- Updates
 - Fare Integration – On-Fare Program
 - Service Model Transition
- Network performance, January Service Change
 - Reliability – Early January 2024
 - Capacity – Early January 2024
 - 3 Route Adjustments Planned

B. Holmes responded to questions from the Committee regarding the volume of customer feedback not included in the presentation; the type of engagement that took place in Durham Region to determine the service changes to Durham Region Transit (DRT); the promotion currently taking place to encourage riders to use the new 605 Route and when can statistics be expected related to this route; and the length of time it takes students from the Municipality of Clarington who are using transit to get to the North Oshawa post-secondary campus.

4.2 Kris Hornburg, Deputy General Manager Business Services, Durham Region Transit, re: 2024 Transit Fares (2024-DRT-03) [Item 7.3]

Kris Hornburg, Deputy General Manager, Business Services, Durham Region Transit provided a PowerPoint presentation regarding the 2024 Transit Fares.

Highlights from the presentation included:

- DRT Fare Strategy, 2019
 - Key Principles
- Discounted fares
 - Discounts to base fare (percent)
 - Additional discount/loyalty programs
- Proposed 2024 fare increase
- Fare system modernization
 - PRESTO fare payment system

5. Delegations

5.1 Jeff Gray, President, Unifor Local 222, re: Transit Long-Term Service and Financing Strategy

Jeff Gray, President, Unifor Local 222, appeared before the committee regarding the Transit Long-Term Service and Financing Strategy.

J. Gray expressed concerns regarding members of Unifor Local 222 needing to use alternative and expensive ride-hailing services as a means of transportation to and from work opposed to Durham Region Transit due to lack of access and services to workplaces; and asked the committee to relocate funds in the budget to invest in Transit.

J. Gray responded to questions from the Committee.

5.2 Ian Sinnott, Chair, Unifor Local 222, re: Transit Long-Term Service and Financing Strategy

Ian Sinnott, Chair, Unifor Local 222, appeared before the committee regarding the Transit Long-Term Service and Financing Strategy.

I. Sinnott expressed concerns regarding DRT's ability to meet the demand of the growing population in Durham Region; the removal of routes in established areas in the Region to accommodate the demand of new growth areas; the future demands on DRT associated with the Lakeshore East GO transit expansion; the additional strains that DRT employees face including over crowded buses, by-passing members of the public due to capacity limits and running behind schedule; the level of transit service in Durham Region compared to surrounding municipalities and cities; and the need for Council's continued support and investment into the transit strategy to contribute to the success of the Region.

I. Sinnott responded to questions from the Committee.

5.3 Tega Ubor, Ontario Tech Student Union, re: Service Levels to Ontario Tech University

Tega Ubor, Ontario Tech Student Union, appeared before the committee regarding service levels to Ontario Tech University.

T. Ubor expressed concerns regarding unreliability and inaccessibility of DRT for Ontario Tech University (OTU) students, especially for students who use mobility devices during peak times. T. Ubor acknowledged the recent effort of DRT to engage directly with OTU students to understand the diverse needs of the students using transit and asked that DRT continue to host sessions once a semester to gather and address feedback. T. Ubor also expressed concerns with respect to DRT only providing a general survey and not specifically creating a survey for OTU students to address concerns specific to the students who use transit.

T. Ubor responded to questions from the Committee.

5.4 Tien Huynh, Durham Region resident (In-Person Attendance), re: Changes to Service Levels

Tien Huynh, Durham Region Resident, appeared before the committee regarding changes to service levels.

T. Huynh expressed concerns regarding DRT's ability to accommodate the population growth in Durham Region; the network changes in January and how it is affecting residents who rely on transit; and how the lack of funding for DRT has contributed to the changes of the network and the possibility of more negative changes in the future.

5.5 Lorraine Hogg, Pickering Resident, re: General Manager's Report as it relates to issues of accessing transit for people who don't live along Highway 2 (2024-DRT-01) [Item 7.1]

Lorraine Hogg, Pickering resident, appeared before the committee regarding General Manager's Report #2024-DRT-01 as it relates to issues of accessing transit for people who don't live along Highway 2.

L. Hogg expressed concerns with respect to insufficient improvements to DRT, specifically in the City of Pickering; the challenges that are caused by the limited bus stops, including the distance to walk to the bus stop. L. Hogg provided the committee with examples of specific trips using Google maps to show the length of time each trip would take at different times of the day to illustrate the how far a person would have to walk to get to the bus stop, and how long it would take to arrive at a destination travelling by bus.

6. Correspondence

There were no communication items considered.

7. Reports

A) General Manager's Report – February 2024 (2024-DRT-01)

Report #2024-DRT-01 from B. Holmes, General Manager, Durham Region Transit, was received.

Detailed discussion ensued regarding reintroducing DRT services that were suspended in January through network optimization and reconsideration in the 2024 DRT budget. B. Holmes advised that in the absence of additional resources, if the changes that have been made are reversed it would mean many DRT riders would be without services on core routes and continued degradation of the network. He recommended that this discussion would be more appropriate at the March Transit Executive Committee (TEC) meeting during consideration of the DRT budget.

Moved by Commissioner Wotten, Seconded by Commissioner Anderson,
(2) That Report #2024-DRT-01 of the General Manager, Durham Region Transit, be received for information.

CARRIED AS AMENDED ON A
RECORDED VOTE LATER IN THE
MEETING
(See Following Motions)

Moved by Commissioner Wotten, Seconded by Commissioner Anderson,
(3) That the Committee recess for 5 minutes.

CARRIED

The Committee recessed at 2:56 PM and reconvened at 3:01 PM

The Clerk conducted a roll call following the recess and all members of Committee were present with the exception of Commissioners Carter and Roy.

Further discussion ensued regarding the decision to reallocate DRT services in January and reconsidering the changes as it relates to the budget. N. Taylor, Treasurer, DRT and Commissioner of Finance, advised that there is a Council approved guideline that staff have been directed to meet, and staff will provide a budget that complies with that guideline at the March TEC meeting and other committee meetings. N. Taylor advised that each committee will receive their recommended budget reports and at the March meetings will have the opportunity to make an alternate recommendation to the Finance and Administration Committee.

Discussion also ensued regarding the carbon tax charged on diesel fuel for public transportation and the possibility of bringing forward a future motion requesting that the application of the carbon tax be removed for public transit across Ontario.

Moved by Commissioner Brenner, Seconded by Commissioner Anderson,
(4) That the main motion (2) of Commissioners Wotten and Anderson be amended by adding the following as a new Part B):

“B) That staff be directed to report back as part of the budget discussions at the next Transit Executive Committee meeting the cost of reinstating the lost service through the January optimization without reducing the positive changes made.”

CARRIED ON THE FOLLOWING
RECORDED VOTE:

Yes

No

Commissioner Anderson
Commissioner Brenner
Commissioner Crawford
Commissioner Garrod
Regional Chair Henry
Commissioner Schummer
Commissioner Wotten

None

Members Absent: Commissioner Carter
Commissioner Roy

Declarations of Interest: None

The main motion (2) of Commissioners Wotten and Anderson was then put to a vote and CARRIED AS AMENDED.

B) Revisions to Terms of Reference for the Specialized Services Eligibility Appeal Process (2024-DRT-02)

Report #2024-DRT-02 from B. Holmes, General Manager, Durham Region Transit, was received.

Moved by Commissioner Wotten, Seconded by Commissioner Anderson,
(5) That the Durham Region Transit Executive Committee approved the revised Terms of Reference for the Durham Region Transit Specialized Services Eligibility Appeal Process, as set out in Attachment #2 to Report #2024-DRT-02.

CARRIED

C) 2024 Transit Fares (2024-DRT-03)

Report #2024-DRT-03 from B. Holmes, General Manager, Durham Region Transit, was received.

Moved by Commissioner Wotten, Seconded by Commissioner Anderson,
(6) That the Transit Executive Committee recommends to Regional Council
that the proposed transit fares in Attachment #1 be approved and
implemented July 1, 2024.

CARRIED

8. Advisory Committee Resolutions

There were no advisory committee resolutions considered.

9. Confidential Matters

There were no confidential matters considered.

10. Other Business

10.1 Maintenance Apprentice Program

James Kilgour, Deputy General Manager of Maintenance, Durham Region Transit, announced that in partnership with Unifor Local 222 and the maintenance team at Durham Region Transit a letter of understanding has been completed with respect to an apprentice program.

11. Date of Next Meeting

The next regularly scheduled Durham Region Transit Executive Committee meeting will be held on Wednesday, March 6, 2024 at 1:30 PM in the Council Chambers, Regional Headquarters Building, 605 Rossland Road East, Whitby.

12. Adjournment

Moved by Commissioner Brenner, Seconded by Commissioner Wotten,
(7) That the meeting be adjourned.

CARRIED

The meeting adjourned at 3:27 PM

Respectfully submitted,

M. Crawford, Chair

S. Dessureault, Committee Clerk



The Regional Municipality of Durham Report

To: Durham Region Transit Executive Committee
From: General Manager, Durham Region Transit
Report: #2024-DRT-04
Date: March 6, 2024

Subject:

General Manager's Report – March 2024

Recommendation:

That the Transit Executive Committee recommends

That this report be received for information.

Report:

1. Purpose

- 1.1 This report is submitted at each Transit Executive Committee (TEC), for information.

2. Background

- 2.1 The General Manager Report provides regular updates on key performance measures and summaries of current activities and transit issues in Attachment #1.

3. Previous Reports and Decisions

- 3.1 Not applicable

4. Financial

- 4.1 There are no financial impacts associated with this report.

5. Relationship to Strategic Plan

5.1 This report aligns with/addresses the following strategic goals and priorities in the Durham Region Strategic Plan:

- a. Service Excellence

6. Conclusion

6.1 For additional information, contact: Bill Holmes, General Manager, at 905-668-7711, extension 3700.

7. Attachments

Attachment #1: General Manager's Report – March 2024

Respectfully submitted,

Original Signed by

Bill Holmes
General Manager, DRT

Recommended for Presentation to Committee

Original Signed by

Elaine C. Baxter-Trahair
Chief Administrative Officer



General Manager's Report
March 6, 2024
TEC
Attachment #1

Performance Measures Dashboard	<u>2</u>
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Performance Measures Dashboard

Safety

Key performance indicator	Description	Latest Measure	Current	Target ¹	Current Variance to Target (per cent)	YTD Status ² (per cent)
Collisions	Number preventable collisions per 100,000 km	January	0.71	0.60	✗ 18.4	✗ 18.4

Ridership

Scheduled						
Ridership (x1,000)	Number passengers	January	1,025	791	✓ 29.6	✓ 29.6
PRESTO Ridership	Customers paying using PRESTO (per cent)	January	93.1	91.2	✓ 1.9	✓ 1.9
Bus full occurrences	Number operator reported occurrences	January	440	363	✗ 21	✗ 21
Demand Responsive						
Ridership - Specialized	Number customer trips	January	11,567	8,790	✓ 31.6	✓ 31.6
Unaccommodated Rate - Specialized	Trip requests not scheduled (per cent)	January	5.36	NA	NA	NA
Ridership – On Demand	Number customer trips	January	10,055	9,130	✓ 10.1	✓ 10.1
Unaccommodated Rate – On Demand	Trip requests not scheduled (per cent)	January	37.4	N/A	N/A	N/A

Service Delivery

Scheduled						
On time performance	On-time departures from all stops (per cent)	Service Period 1 ³	N/A	73.6	N/A	N/A
Service availability	Scheduled service delivered (per cent)	Service Period 1 ³	N/A	98.6	N/A	N/A
Mean Distance Between Failure (MDBF)	Average number of revenue service kilometres between occurrences of vehicle defects impacting service (revenue service kilometers)	January	13,062	15,582	✓ -16.1	✓ -16.1
Demand Responsive						
On time performance – Specialized	On-time customer pickups (per cent)	January	80.3	N/A	N/A	N/A
On time performance – On Demand	On-time customer pickups (per cent)	January	85.4	N/A	N/A	N/A
Service availability – Specialized	Average difference in requested trip time vs. booked trip time (minutes)	January	12:06	N/A	N/A	N/A
Service availability – On Demand	Average difference in requested trip time vs. booked trip time (minutes)	January	17:11	N/A	N/A	N/A

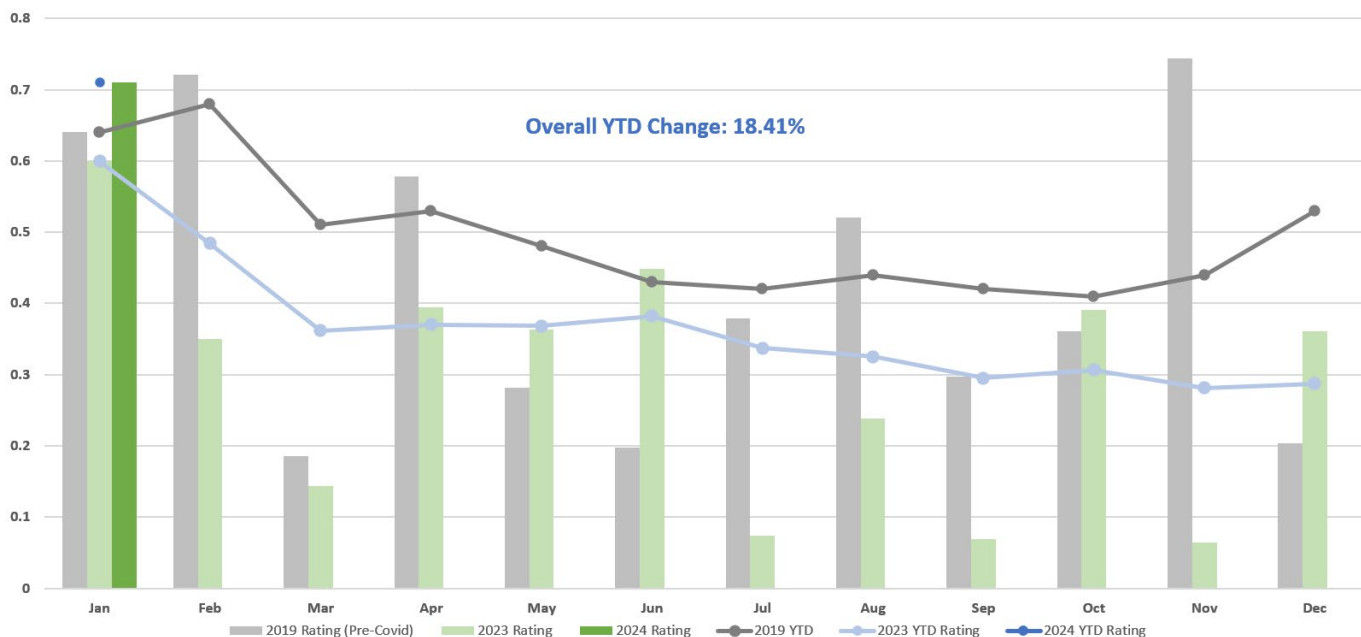
¹Target is 2023 measure for the same period

²Year to Date (YTD) compared to previous year

³January 2, 2024 through April 7, 2024

Safety

Preventable collisions rate per 100,000 km



Definition: A preventable collision is one in which the driver failed to do everything reasonable to avoid the collision. The preventable collision rate is the number of preventable collisions per 100,000 kilometres of travel for all Durham Region Transit (DRT) vehicles.

A collision may not be reportable to police based on the Highway Traffic Act, but for DRT purposes all collisions are documented and investigated. DRT's objective is to reduce annual preventable collisions by ten per cent relative to the previous year.

Analysis

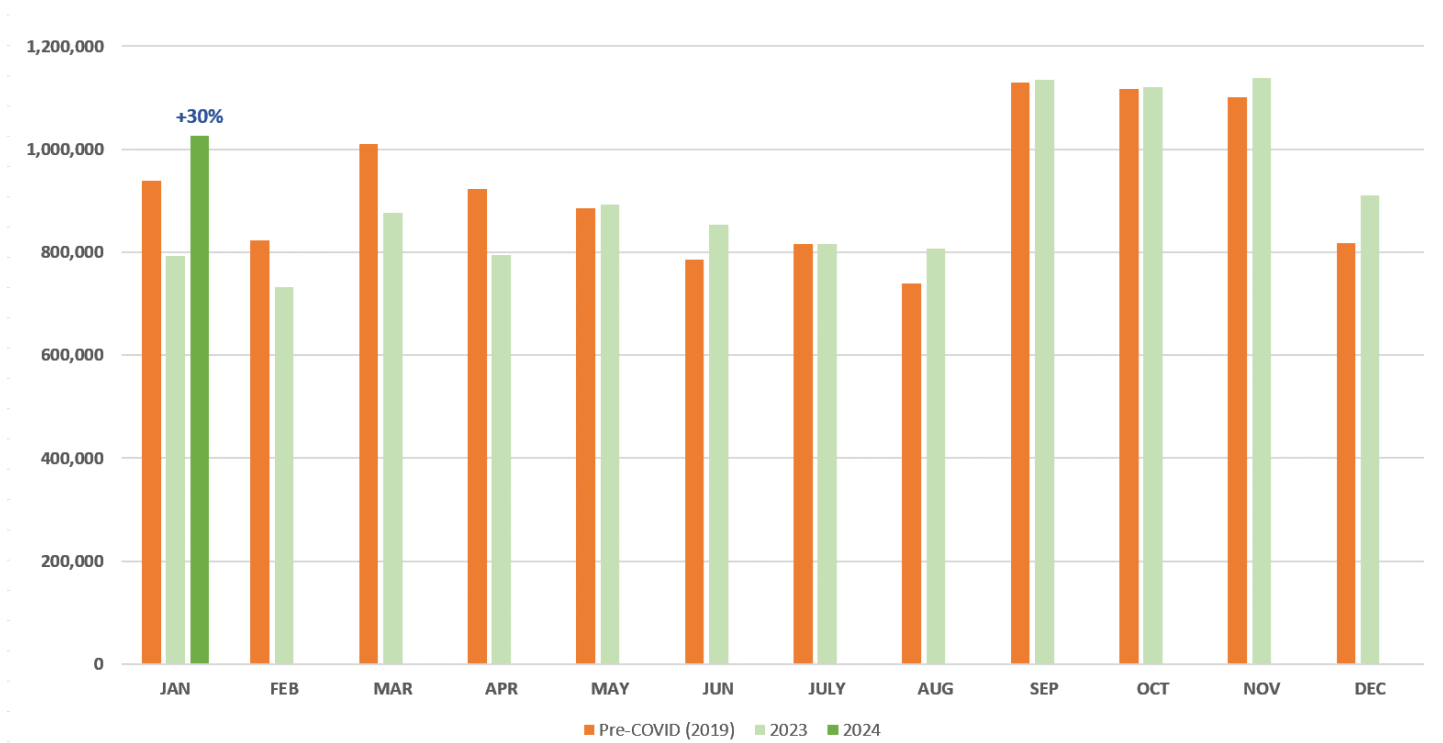
The January preventable collision rate was 0.71 per cent compared to 0.60 per cent for the same period in 2023.

Action Plan

Operations continue to implement their safety management system including promotion and communication, managing employee performance, and remedial training for all employees involved in a preventable collision.

Ridership

Scheduled transit



Definition: Ridership is the sum of all passenger trips. A passenger trip is a one-way trip from origin to destination regardless of the number of transfers that may be required.

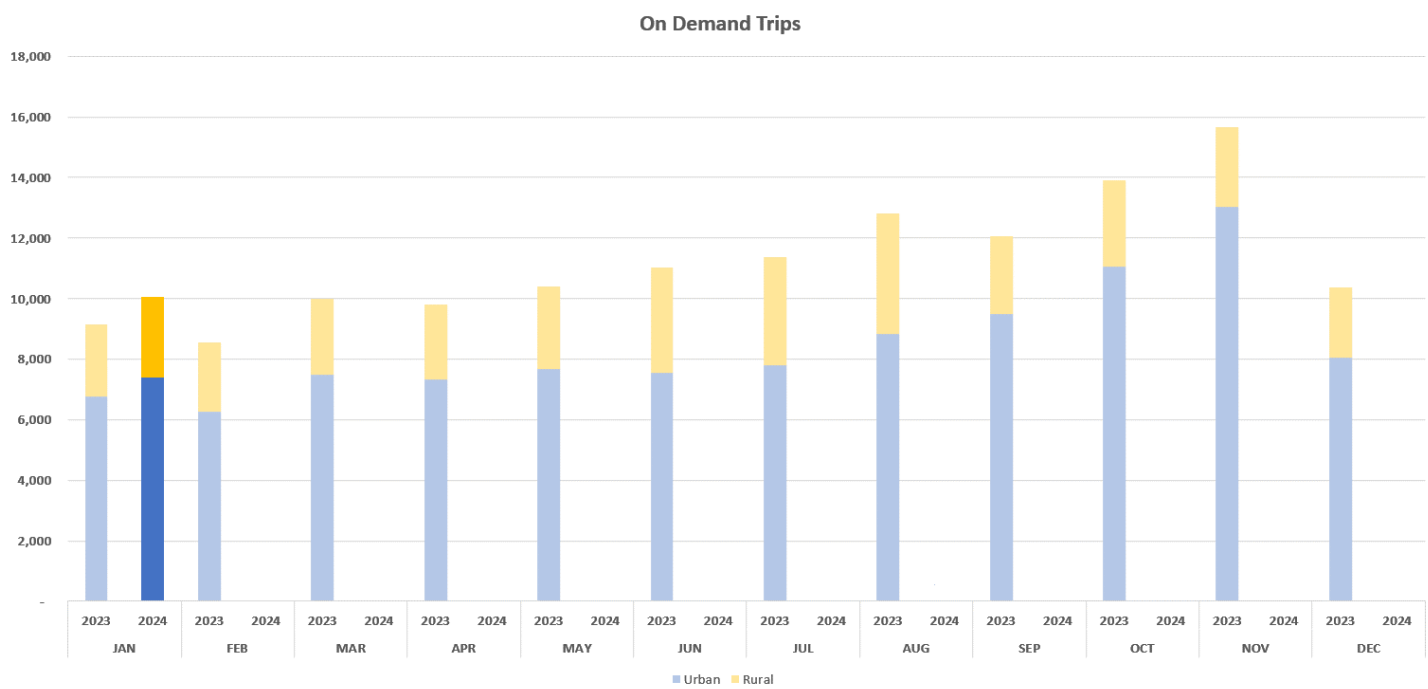
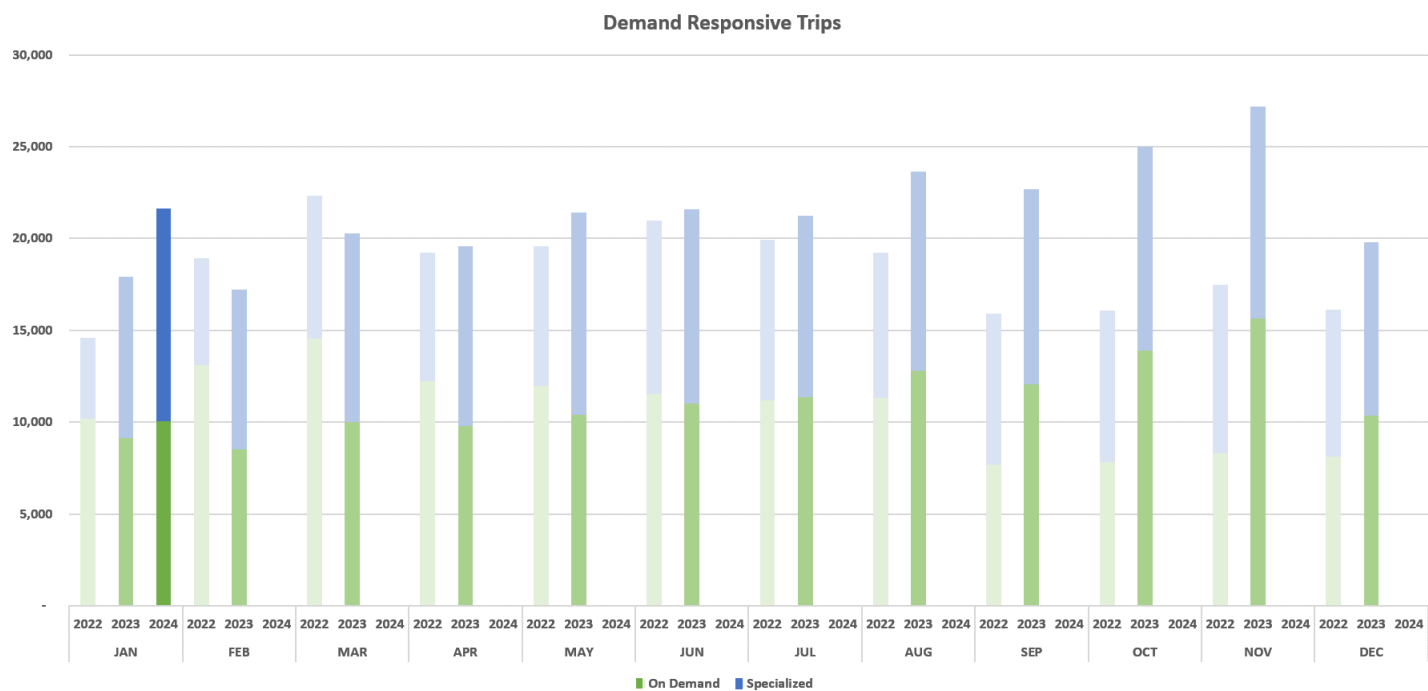
Results

January ridership on scheduled service exceeded one million passenger trips, and was approximately 30 per cent higher than the same month in 2023, and approximately 11 per cent higher than the pre-pandemic period.

Action Plan

Ridership and transit demand have reached record levels across the Region. For January 2024, DRT optimized resources within existing service guidelines. Resources were reallocated from lowest performing routes and trips to areas of highest pressure and inadequate capacity to meet ridership demand on the busiest corridors. Some routes were restructured to remove service duplication, improve network reliability, and mitigate requirements for additional resources. Ridership pressures and network performance continue to be monitored.

Demand Response Transit



On Demand Trip Service Areas Breakdown

		JAN 2024	YTD 2024
R U R A L	Uxbridge	348	348
	Brock	782	782
	Scugog	543	543
	Pickering	303	303
	Ajax	12	12
	Whitby	28	28
	Oshawa	53	53
	Clarington	584	584

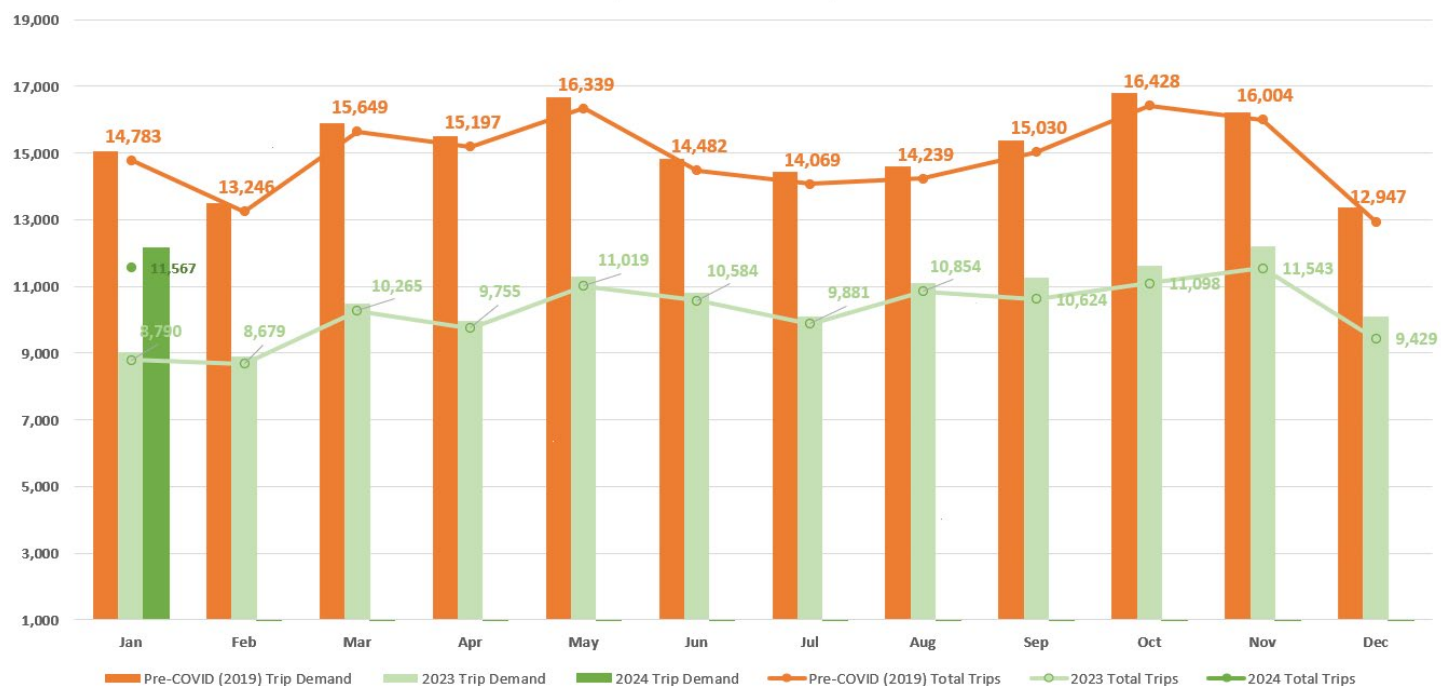
		JAN 2024	YTD 2024
U R B A N	Uxbridge	535	535
	Scugog	700	700
	Pickering	884	884
	Ajax	933	933
	Whitby	1,418	1,418
	Oshawa	1,285	1,285
	Clarington	1,647	1,647

Specialized Trip Service Areas Breakdown

		JAN 2024	YTD 2024
R U R A L	Uxbridge	13	13
	Brock	29	29
	Scugog	98	98
	Pickering	5	5
	Ajax	-	-
	Whitby	72	72
	Oshawa	10	10
	Clarington	121	121

		JAN 2024	YTD 2024
U R B A N	Uxbridge	44	44
	Scugog	107	107
	Pickering	1,361	1,361
	Ajax	2,086	2,086
	Whitby	2,769	2,769
	Oshawa	3,774	3,774
	Clarington	828	828
	Toronto-Yo	250	250

Specialized Transit Trips



Definitions:

Trips: A trip is considered a one-way passenger trip from origin to destination, regardless of the number of transfers that may be required.

Results

On Demand delivered a total of 21,622 trips in January 2024, including 11,567 for customers registered with Specialized transit. Total On Demand trips delivered in January 2024 were 23 per cent higher than January 2023, including an 18 per cent increase in Specialized transit trips.

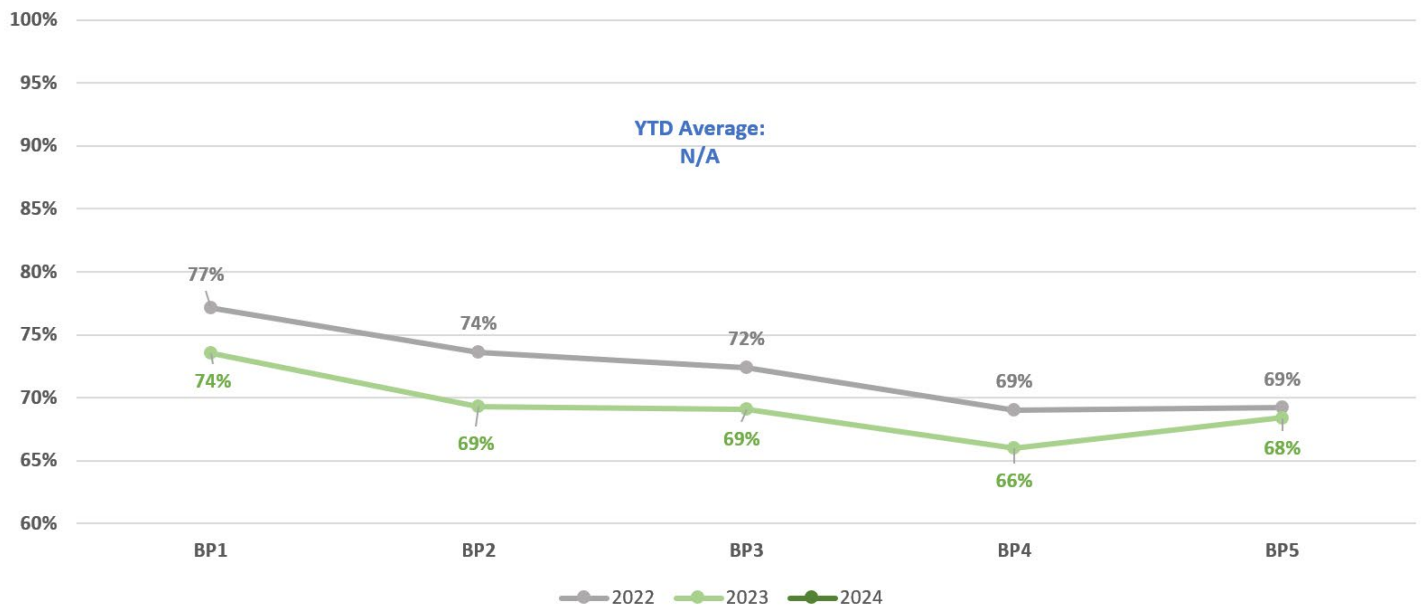
Action Plan

As part of the service model transition program, DRT expedited the transition of On Demand services to the third-party vendor to increase capacity. Effective September 5, 2023, all On Demand trips were delivered by DRT's third-party contractor (Voyago). Throughout the Fall 2023, DRT maximized capacity within existing resources to meet increasing trip demands.

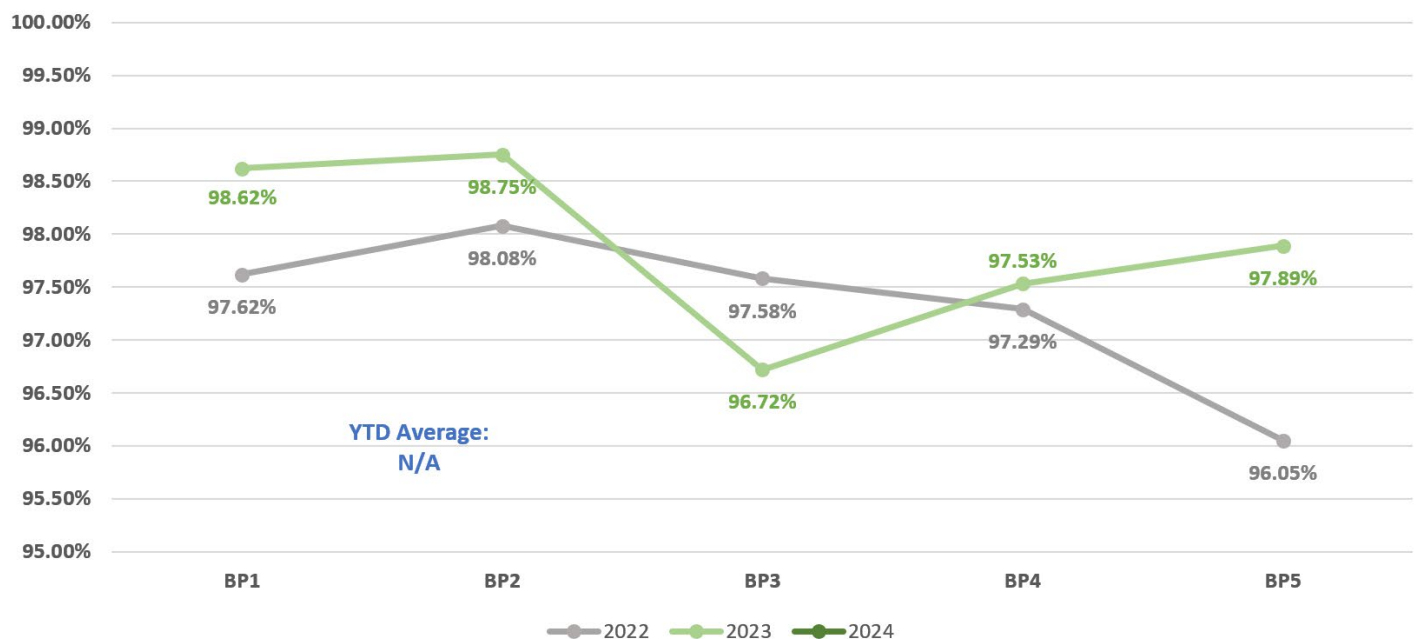
Service Delivery

On Time Performance and Availability (conventional)

Scheduled Service On-Time Performance



Scheduled Service Service Availability



Definition

On Time Performance (OTP) is a measure of the per centage of buses departing a bus stop no more than zero minutes early and five minutes late. The annual OTP target is 80 per cent. OTP is reported for each service period.

Service availability is a measure of the actual service delivered by DRT as a per centage of scheduled revenue service. The service availability target is 99.5 per cent. Service availability is reported for each service period.

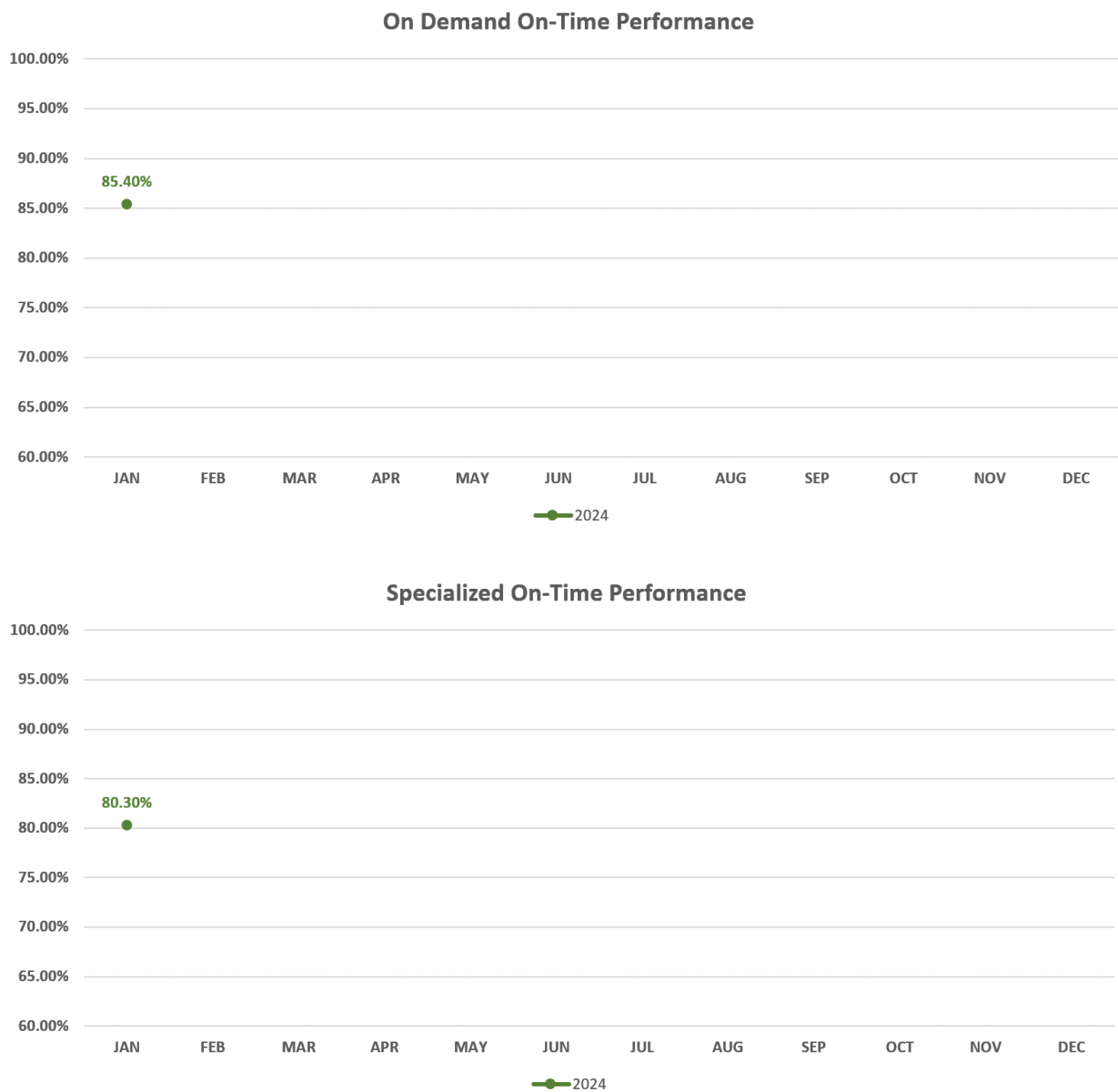
Results

OTP results for board period one will be reported in June 2024.

Action Plan

OTP continues to be impacted by increasing delays due to congestion experienced across major roads in the Region. DRT continue to experience service impacts from congestion and construction projects. Some planned trips are cancelled when a route is operating excessively late to enable subsequent planned trips to remain on schedule. Trip cancellations, which reduces service availability, impacts customers through less route capacity, longer wait times, and longer travel times due to missed connections. Staff have identified budget requirements to improve service reliability for routes in areas of known and significant congestion and 2024 road construction. When fully implemented, these investments will improve service reliability resulting in improved OTP and service availability for customers.

On Time Performance (Demand Responsive)



Definition

On Time Performance – Demand Response: Measures the percentage of customer pickups that occur as scheduled up to 5 minutes after the pick-up window. OTP – Demand Response is measured monthly, with a target of 80%.

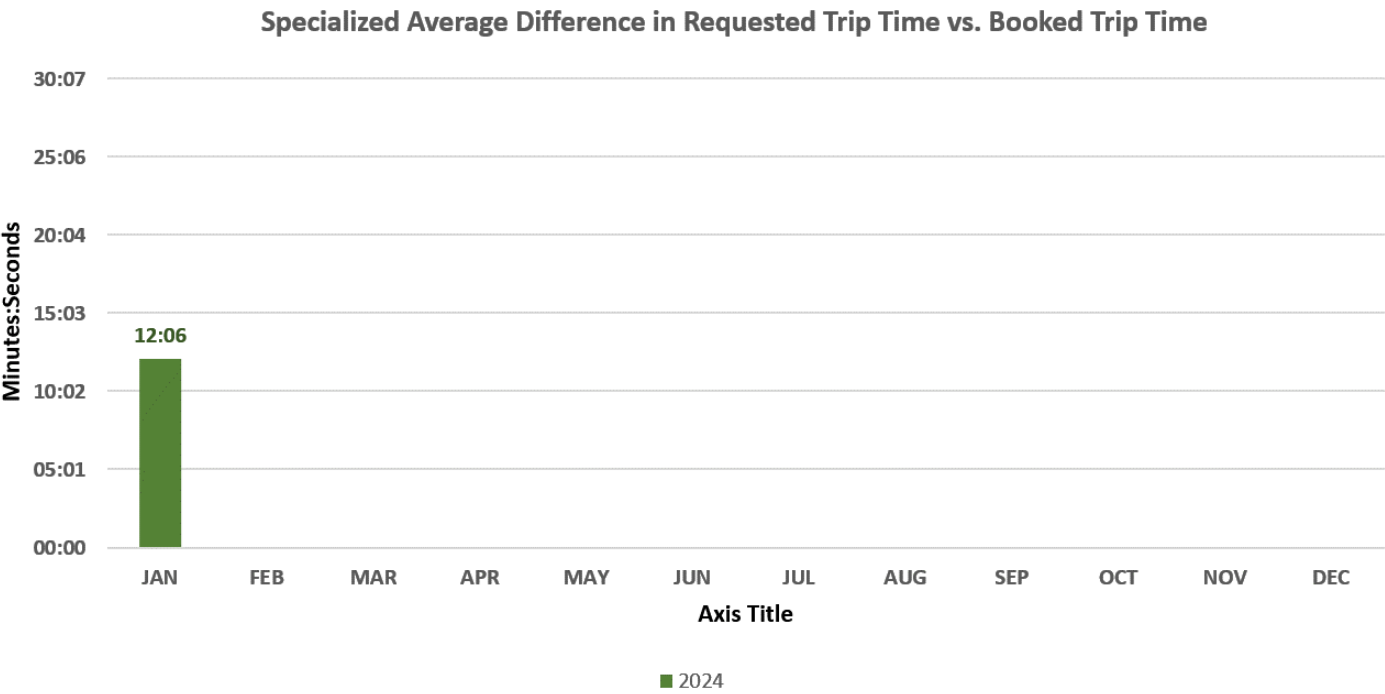
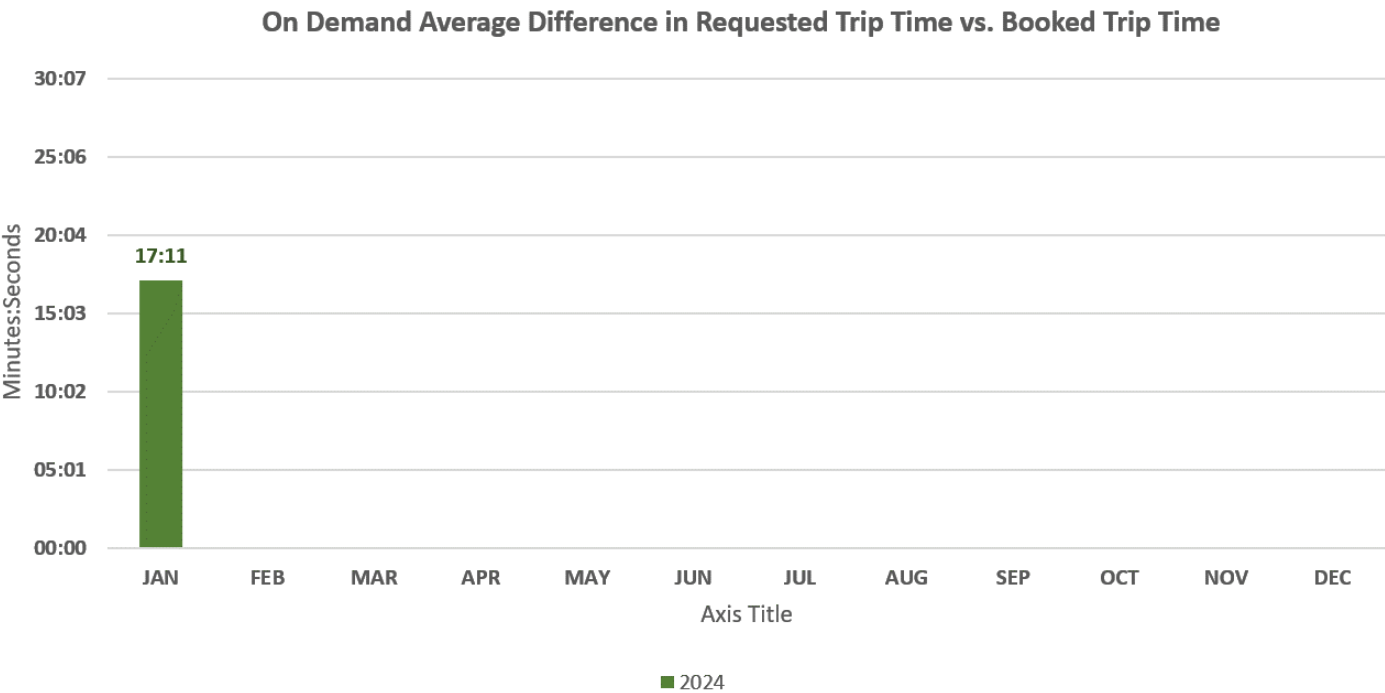
Results

OTP – Demand Response for January 2024 were 85.4 per cent for On Demand trips, and 80.3 per cent for specialized transit trips.

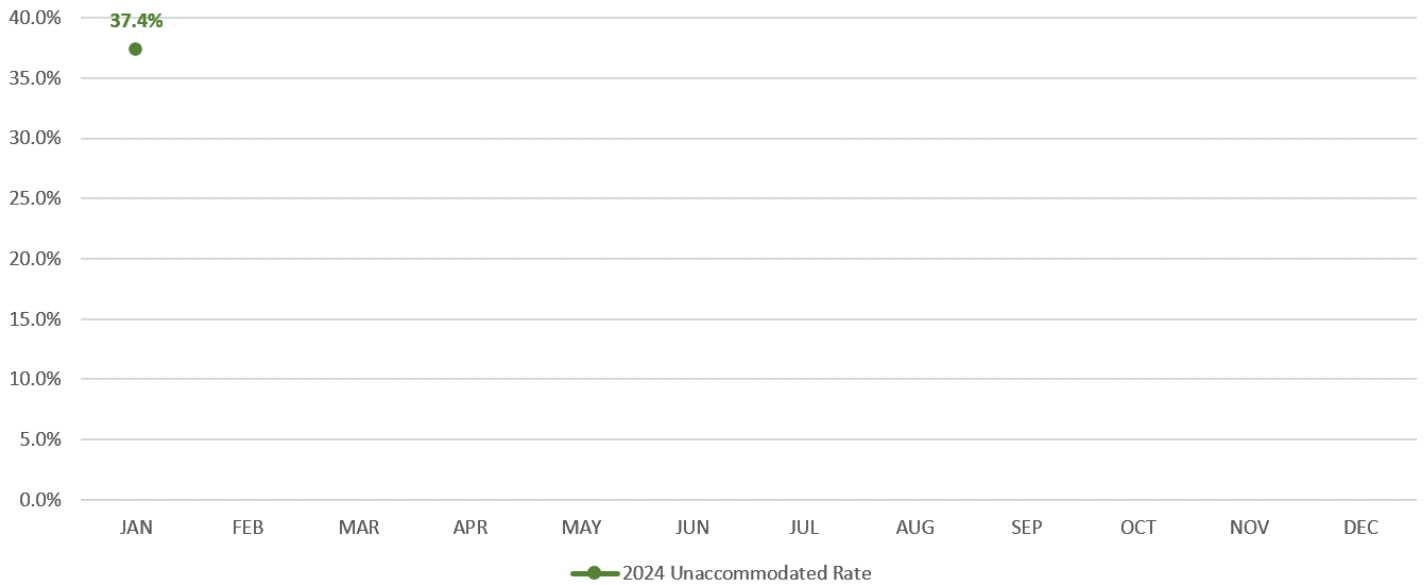
Action Plan

DRT will monitor OTP – Demand Response trends throughout 2024 and review the current performance target for 2025.

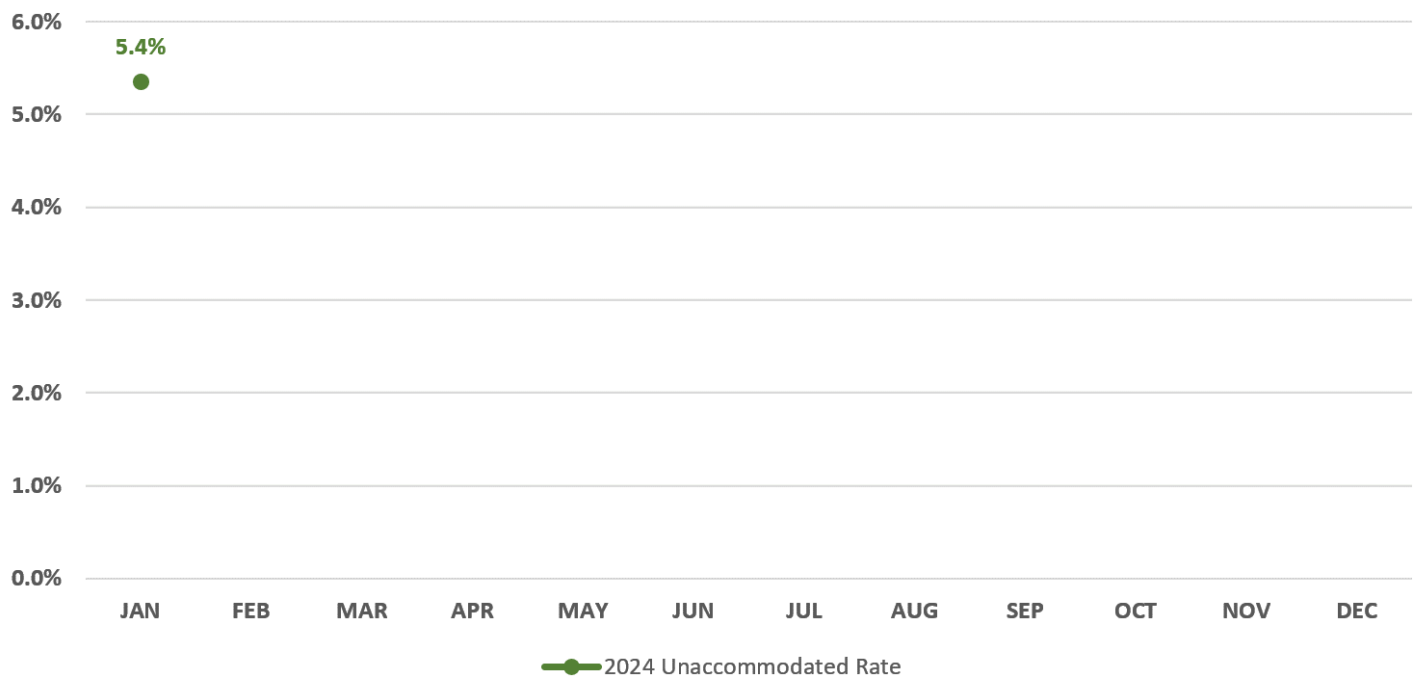
Service Availability (Demand Responsive)



On Demand Unaccommodated Rate



Specialized Service Unaccommodated Rate



Definition

Service Availability – Demand Response: Service Availability – Demand Response is reflected through two metrics.

Variance between Requested and Actual Booked Pick-up Time: Average difference between the pick-up time requested and actual booked pick-up time. This metric measures how closely a trip can be scheduled to the customer's preferred time. This metric is measured monthly, with a target of 15 minutes.

Unaccommodated Rate: Measures the percentage of requested customer trips that were unable to be scheduled due to lack of capacity, within the service guideline trip scheduling parameter of 30 minutes for Urban and 60 minutes for Rural service areas (relative to pick-up time requested by customer).

An appropriate target for this metric is being developed in consideration of the investments planned in the DRT Transit Service and Financing Strategy (2023-2032), and the approved 2024 budget.

Results

Variance between Requested and Actual Booked Pick-up Time

Variance between requested and actual booked pick-up time for January 2024 were 17.2 minutes for On Demand trips, and 12.1 minutes for specialized transit trips.

Unaccommodated Rate

Unaccommodated rates for January 2024 were 37.4 per cent for On Demand trips, and 5.4 per cent specialized transit trips.

Action Plan

See summary in Update section of this report.

Updates

1. One Fare Program Announcement at DRT Ajax campus

On Friday, February 9, DRT welcomed provincial partners at the Westney bus depot in Ajax to celebrate the recently announced One Fare initiative. Associate Minister of Transportation Vijay Thanigasalam and MPPs Barnes, Coe and McCarthy were greeted by Regional Chair John Henry, Transit Executive Committee Chair Marilyn Crawford and Bill Holmes, General Manager, DRT. Funded by the Ministry of Transportation, the One Fare Program will eliminate double fares paid by DRT customers when transferring between DRT and the Toronto Transit Commission (TTC), including Wheel Trans.

DRT was excited to welcome the MPP's, Chair John Henry, and TEC Chairperson Marilyn Crawford to celebrate the new program, and grateful for the time they spent engaging with staff.



2. Engagement with specialized transit customers

DRT held the annual specialized services engagement session at The Abilities Centre on February 12, 2024.

The interactive session was conducted both in-person and online, to provide an opportunity for customers to share valuable feedback directly to staff. Attendees also had the chance to reflect on the outcomes of the previous session held last spring. Moving forward, staff will be collating the feedback received to develop tailored action plans, where applicable.

This proactive approach represents DRT's commitment to continuous improvement and will enhance services for customers.



3. Newly available data for Demand Response services

Implementation of the Via platform has enabled DRT to gather new data to evaluate the performance of the On Demand network, including Specialized Transit trips. Throughout the fall staff collaborated with the vendor to understand the new data and adjust system parameters where applicable to improve data reliability and accuracy.

On-Time Performance of 80 per cent for the On Demand Service is consistent with scheduled service. OTP data for January 2024 exceeded the current 80 per cent target, and staff will monitor performance throughout 2024 in consideration of adjusting the performance target for 2025.

DRT Demand Response integrates the delivery of On Demand and Specialized Transit trips towards the goal of service equity. The objective of On Demand service is to provide residents the ability to book trips near real time and minimize the need for advance bookings. Removing the current seven day pre-booking process will provide specialized customers with the same flexibility available to On Demand Customers. The integrated On Demand service continues to mature while ensuring capacity and the average trips by active Specialized Transit customers remain consistent with pre-pandemic levels.

There currently is a difference in booking trips for On Demand and Specialized Transit trips which does impact service availability and capacity for On Demand trips. DRT has not revised the long-standing practice where customers registered with Specialized Transit can book trips up to seven days in advance of their intended day of travel. Customers booking On Demand trips are following industry best practices and can book trips up to 24 hours in advance of their intended day of travel.

Specialized Transit trips are currently booked within the 15-minute target for variance between requested and booked pick-up times, mainly because customers booking these trips can book trips before On Demand customers. As a result, trip capacity is reduced for On Demand Trips. On Demand trips for January 2024 exceeded the 15 minute target variance between requested and booked trip time, in part due to limited capacity. Capacity limits are also reflected in unaccommodated trip rates.

The unaccommodated rate, particularly for On Demand trip requests, has highlighted that ridership demand exceeds service capacity. The significant difference in unaccommodated rate for Specialized Transit and On Demand trip requests is a result of the current On Demand capacity, and that Specialized Transit trips can be booked sooner than On Demand trips. As summarized in the 2024 DRT Business Plan and Budget report, approximately 13,250 new On Demand annual service hours are planned for 2024. This service investment will increase capacity across the urban and rural On Demand zones.

Staff will develop an aspirational target for the Unaccommodated rate in consideration of planned annual revenue service growth included in the DRT Service and Financing Strategy (2023-2032), and opportunities to modernize service delivery policies towards the objective to eliminate the need for advance trip bookings.

4. E-Bus Pilot

The first DRT electric bus entered the production line at Nova Bus on January 25th, 2024, with the remaining five buses to enter production in the second quarter of 2024. The buses are planned to be delivered in June 2024, with actual delivery aligned with the implementation of the electrical infrastructure and charging equipment.

Following the recent fire at 710 Raleigh, staff have worked diligently with EnerForge to re-design the electrical infrastructure and charging equipment to support outdoor charging of the six battery electric buses. The project is at 90% design completion, with charging equipment and other long-lead equipment purchased and secured. EnerForge and their team are expected to mobilize on site for the first week of March 2024, and a planned completion date of June 2024.

5. Transit Operator and Worker Appreciate Day

DRT and transit customers will be celebrating Transit Operator and Worker Appreciation Day on March 18, 2024. In cooperation with the Canadian Urban Transit Association (CUTA), DRT encourages all residents and customers to share their appreciation for the everyday transit heroes on social media using the hashtag #ThanksTransit.

Customers and residents are encouraged to follow DRT social media March 18 – March 24 as we celebrate the dedicated public transit operators and workers who keep Durham moving.



Durham Region Transit Report

To: Durham Region Transit Executive Committee
From: General Manager, Durham Region Transit
Report: #2024-DRT-05
Date: March 6, 2024

Subject:

2024 Durham Region Transit Business Plan and Budget

Recommendation:

That the Transit Executive Committee (TEC) recommends to the Finance and Administration Committee for subsequent recommendation to Regional Council that the 2024 Durham Region Transit Business Plan and Budget be approved.

Report:

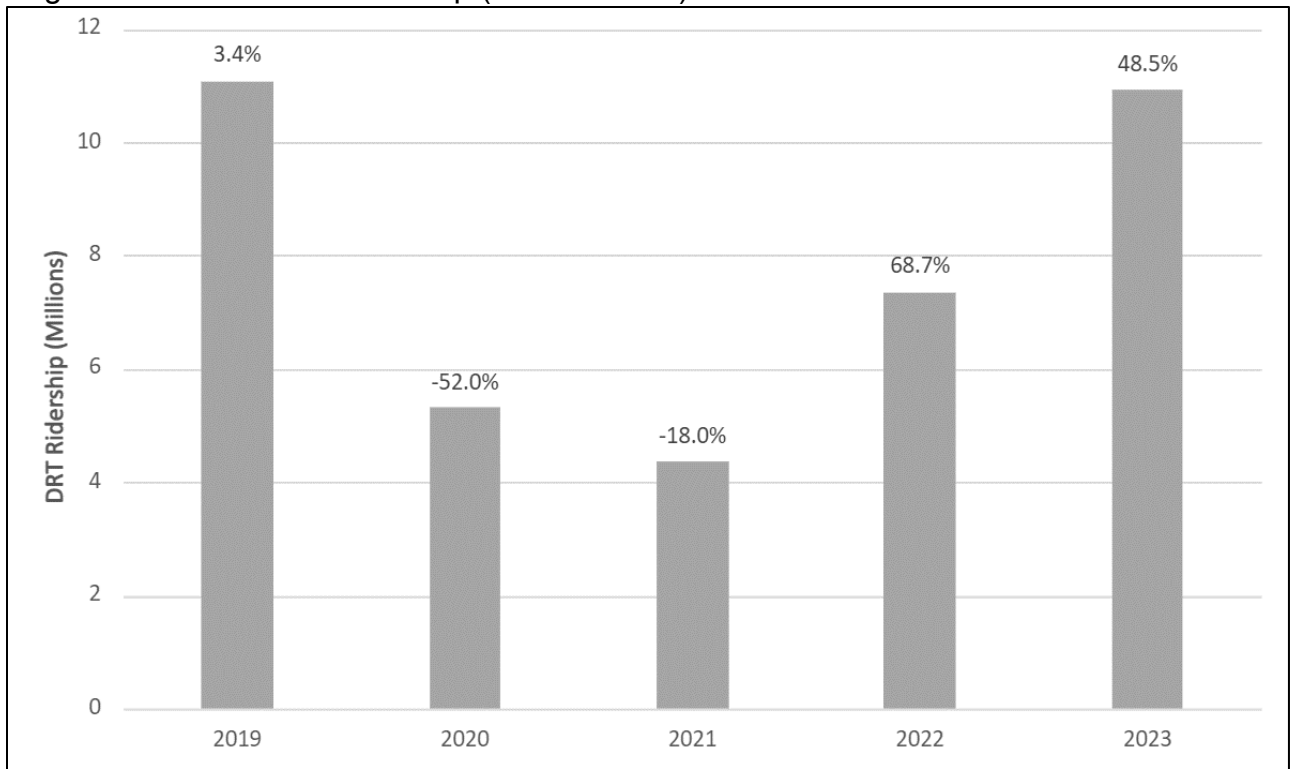
1. Purpose

- 1.1 The purpose of this report is to obtain TEC's concurrence with the 2024 Business Plan and Budget for Durham Region Transit (DRT). The DRT 2024 Business Plan and Budget will be presented to the Finance and Administration Committee for consideration during deliberations of the 2024 Property Tax Supported Business Plan and Budget.

2. Background

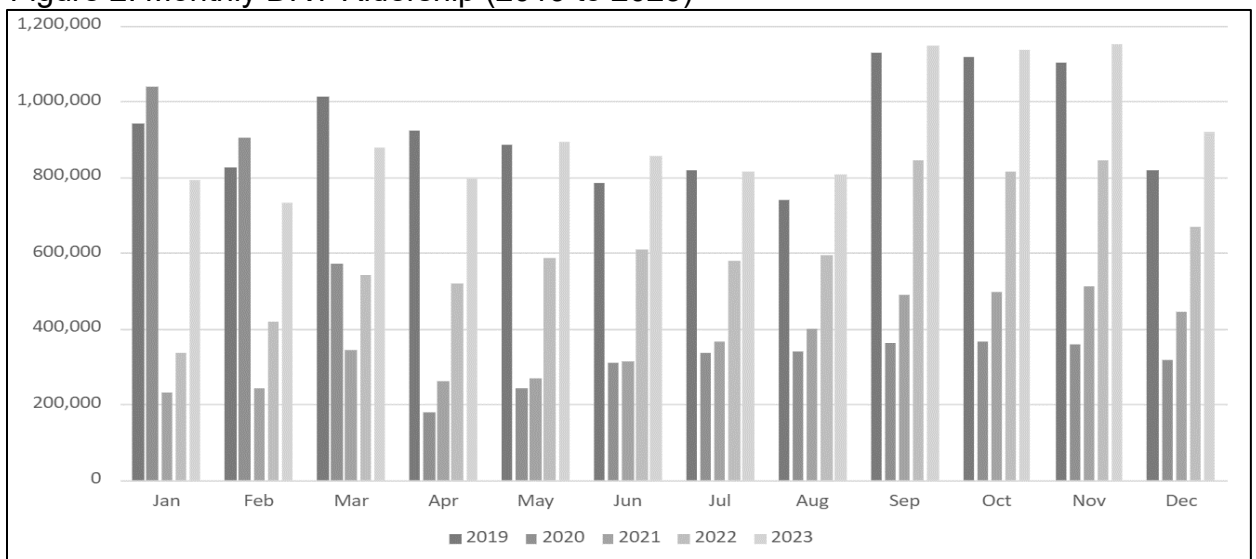
- 2.1 In 2023, DRT experienced the full recovery of ridership levels, with ridership surpassing pre-pandemic levels throughout the fall. Annual ridership for 2023 was 10.8 million, an increase of 48 per cent from 2022. Final 2023 ridership reached 98 per cent of DRT's peak pre-pandemic ridership level in 2019 (11.1 million). Figure 1 compares annual changes in ridership over the past five years:

Figure 1: Annual DRT Ridership (2019 to 2023)



- 2.2 Monthly 2023 ridership totals continue to surpass that of the previous year. By the end of summer in 2023, monthly ridership totals also consistently exceeded pre-pandemic monthly totals (2019). Figure 2 highlights the change in monthly ridership throughout 2023 compared to the previous three years. By the end of 2023, annual ridership was just 2 per cent shy of meeting pre-pandemic levels.

Figure 2: Monthly DRT Ridership (2019 to 2023)



- 2.3 Final fare revenues for 2023 (including U-Pass) are projected to be \$30.4 million, exceeding the budgeted total by 5 per cent. This is \$7.9 million higher than the 2022 fare revenue total and exceeded pre-pandemic fare revenues of \$28.5 million in 2019. This is a strong indicator of ridership having fully recovered from the pandemic and more importantly continuing to grow in the years ahead.
- 2.4 On February 28, 2023, Regional council approved Report #2024-DRT-03 2024 Transit Fares, increasing the base adult fare by \$0.25, and the continued modernization of fare payments. For 2023, PRESTO continued to be the choice of payment method for most DRT customers, with cash and other legacy fares representing only 6 per cent of all fares. In addition, as new methods for payment become available, such as PRESTO's Mobile Wallet, as well as the recently announced fare integration efforts, DRT staff anticipate that use of cash fares will continue to decline. Paper tickets continue to be made available on a restricted basis to community and social agencies who distribute applicable residents.

3. Previous Reports and Decisions

- 3.1 The 2024 Regional Business Plan and Property Tax Supported Budget Guideline report ([#2023-F-35](#)) was approved by Regional Council at its meeting on December 20, 2023, setting the 2024 Property Tax Guideline.
- 3.2 The Transit Service and Financing Strategy (2023-2032) report ([#2023-DRT-05](#)) was approved by the Transit Executive Committee at its meeting on February 8, 2023, outlining investments required over the next 10 years to achieve Council's transit priorities.
- 3.3 The Transit Service and Financing Strategy (2023-2032) report ([#2023-F-5](#)) was approved by the Finance and Administration Committee at its meeting on February 14, 2023 and Regional Council on March 1, 2023.
- 3.4 On June 29, 2022, Regional Council approved the E-Mission Zero - DRT Fleet Electrification Plan ([#2022-DRT-10](#)) to transition DRT fleet vehicles to zero emission technologies by 2037. This report also identified potential Federal financing and funding opportunities to help offset a portion of the incremental capital costs of the transition. A key next step was execution of a Memorandum of Understanding with the Canada Infrastructure Bank in June 2022, and completion of due diligence on the financing framework for establishment of a credit agreement supporting the purchase of zero emission buses. Council approved the execution of the credit agreement on March 29, 2023 ([Report #2023-F-9](#))

- 3.5 On October 4, 2023, TEC approved Report #[2023-DRT-23 – E-Mission-Zero](#) – Approval to Negotiate an Agreement with PowerOn Energy Solutions LP for Durham Region Transit’s Electrification Infrastructure Delivery.
- 3.6 On November 29, 2023, Regional Council approved Report [#2023-DRT-26](#) – UPASS Agreement Extension, providing a 1.9% increase per semester to the UPASS, along with concurrence on the strategy to negotiate a multi-year UPASS Agreement, that will be presented to Transit Executive Committee and Council in 2024.
- 3.7 On February 28, 2024, Regional Council approved Report [#2024-DRT-03](#) – Transit Fares, where staff proposed a base fare increase of 7.5%, beginning July 1, 2024.

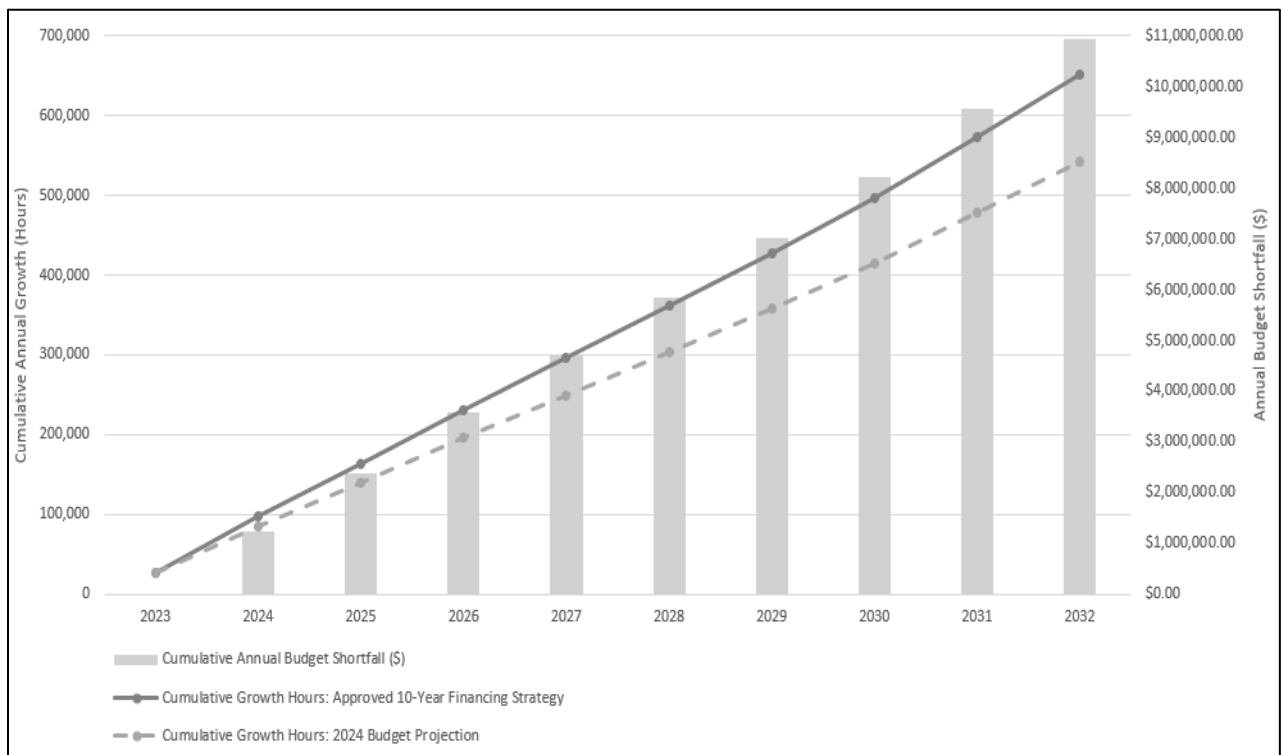
4. Overview

- 4.1 The recommended 2024 DRT Business Plan and Budget meets the Council approved guideline for the 2024 Property Tax Supported Business Plan.
- 4.2 In February 2023, Council approved the Transit Service and Financing Strategy for 2023-2032 (the “Transit Strategy”), which when fully implemented will increase revenue services by 127 per cent, advance the fleet electrification program, and build new fleet and maintenance facilities. The Transit Strategy was developed in 2022 based on projections at that time. The strategy is intended to be dynamic insofar as it requires periodic review and updating based on ridership, network performance, and status of funding commitments and opportunities. The Transit Strategy acknowledges that senior government funding is critical to being able to deliver on the service growth and accelerated electrification of the fleet outlined in the ten-year forecast. In addition, as the expenditure plan was not consistent over the forecast period, efforts to smooth out expenses would be necessary as part of the annual business planning and budget process.
- 4.3 The Transit Strategy had proposed a starting increase of approximately 2 per cent of the overall Regional tax levy increase to be dedicated to Durham Region Transit. Given the significant challenges in the current economic environment and the overall Regional 2024 budget guideline of 7.5 per cent, 1.6 per cent of the overall Regional levy increase has been dedicated to Durham Region Transit. The Transit Strategy estimated 69,882 new annual revenue service hours for 2024, however, within the 2024 budget allocation and in consideration of the operating pressures facing Durham Region Transit, the proposed 2024 Business Plan and Budget includes funding for 59,665 new annual revenue service hours,

or 85.4 per cent of the 2024 Transit Strategy target. The new revenue service hours proposed for 2024 represents an overall service increase of 10.1 per cent. The proposed 2024 Business Plan and Budget also includes investment in both capital and new permanent positions identified as critical to supporting current operational needs, which were not contemplated in the Transit Strategy.

- 4.4 To achieve 85.4 per cent of 2024 Transit Strategy revenue service hours, DRT deferred key planned staffing and capital programs. Seventeen new staff positions, four of which are currently temporary funded roles, are required to fill existing gaps in staff capacity, and were able to be incorporated as noted in Section 5.4 of this report. The deferrals may have negative externalities, including reducing innovation capacity, increasing operational risk, risks of delay to the fleet electrification program, and future service growth due to limited staff capacity. For example, a condition of external funding typically includes the ability to deliver infrastructure within certain timeframes, and with limited project management capacity there are risks with respect to project timelines. Additionally, DRT is contemplating a larger organizational restructuring and enhanced capabilities that that will position DRT to meet increasing demands and pressures, which will require dedicated staff capacity.
- 4.5 The service level targets are cumulative in nature through 2032, and to achieve the long-term service objectives of the Transit Strategy, future budgets will need to account for the variance in planned 2024 revenue service hours. As noted in the Transit Strategy, it will require a refresh at various points as ridership, the network, and funding and expenditure variations evolve.
- 4.6 Figure 3 demonstrates a scenario comparing both Transit Strategy and projected annual service hours, assuming the 2024 service hours at 85.4 per cent of the Transit Strategy plans is not addressed. In this scenario, DRT will fall progressively further behind each year, impacting future growth opportunities, DRT's ability to match anticipated population growth and ridership demands, and providing a transit service that is increasingly competitive with comparator municipalities in the Greater Toronto and Hamilton Area (GTHA) and Ontario.

Figure 3: Service Plan Implications on Budget and Growth



- 4.7 To meet the 2024 guideline, the recommended 2024 DRT Business Plan and Budget includes \$474.2 million in gross expenditures requiring \$94.1 million in property tax funding, an increase of \$13.3 million (16.4 per cent) from the 2023 approved budget. The balance of proposed 2024 financing comes from program and fare revenue, development charges, provincial gas tax, provincial and federal grant funding (e.g., Investing in Canada Infrastructure Program, Zero Emission Transit Fund, Zero Emission Vehicle Infrastructure Program), significant reserves and reserve draws, and debenture financing both directly from the capital markets and through the Canada Infrastructure Bank (CIB).

5. 2023 Overview and Accomplishments

- 5.1 2023 was a positive but challenging year for DRT. While the significant ridership increases are positive, the magnitude of the increases experienced in 2023 strained resources and staff. Ridership pressures are expected to continue through 2024 and require increased investment to support customer demand and enhance the transit network. DRT experienced a significant fire event at the Raleigh Bus Garage in Oshawa on August 16, 2023. While DRT was able to rapidly recover service levels following the fire, it nonetheless highlighted several areas for improvement from a risk mitigation perspective, including maintenance staffing and asset management. Some of these requirements are included within

the 2024 budget, however additional resourcing may be required as DRT continues to experience significant ridership growth pressures, and to enable the transit network and organization to modernize to meet increasing customer and resident demands and expectations of their transit service.

5.2 DRT highlights for 2023 include:

- a. Ridership demand continued to increase throughout 2023, ending the year with an annual total of 10.8 million, a 48 per cent increase over 2022.
- b. Launched new service enhancements, including 3 new local routes, the 301, 421, and 507. The 920, connecting Harmony Terminal to Scarborough, was rerouted to terminate at the TTC Scarborough Centre Bus Terminal, allowing a quick connection between TTC and DRT.
- c. Purchased property at Harmony Road and Green Hill Avenue to support the future planned Harmony Terminal, which will move into the design stage in 2024. This will be the first DRT-owned and operated bus terminal facility.
- d. Successfully completed the service model transition program, with On Demand services operated by a single contracted service provider, and all scheduled services operated by DRT staff.
- e. Integrated Specialized Transit with On Demand, advancing service equity and reaching record ridership levels of over 6,500 trips per week by Fall 2023. Through this integration, customers registered with Specialized Transit benefit from the same travel flexibility available to other On Demand customers, with a consistent travel experience specific to their eligibility.
- f. Finalized production details with Nova Bus for DRT's first six battery electric buses funded through the Canada Community-Building Fund. The buses are expected to be deployed into service in 2024.
- g. Achieved 60 per cent design completion on the charging equipment and infrastructure project to support the first six battery electric buses. The project experienced some challenges due to the fire at the Raleigh depot, and the project team has worked collaboratively to complete the re-design and minimize delays to achieve substantial completion by fall 2024.
- h. The Transit Assistance Program (TAP) on PRESTO continued to support residents receiving benefits from the Ontario Disability Support Program (ODSP) and Ontario Works, averaging at least 1,500 customers per month who are benefiting from the discounted cost of TAP. Since the introduction of TAP in late 2019 through December 2023, the program has enabled

733,052 trips on DRT at no charge, saving these Durham residents an estimated \$2.4 million in transit fares.

- i. In collaboration with the Region of Durham's Social Services Department, DRT initiated a pilot to fund two dedicated outreach workers to provide support and assist at risk residents and populations with diverse needs who are interacting with or accessing transit.
- j. Successful transition to the Dynamics 365 Customer Relationship Manager (CRM) to enhance the customer experience across all Regional Services, in addition to providing DRT with more robust options for data collection and reporting.
- k. Continued fare modernization including new methods of fare payment, such as the launch of open payment in January 2023 and Google Wallet in November 2023.

2024 Strategic Highlights

5.3 The proposed 2024 DRT Business Plan and Budget of \$474.2 million supports continued service enhancements, investments in growth infrastructure and fleet electrification, maintaining core service requirements and assets, actively engaging customers and stakeholders, and building an organizational framework to sustain DRT during a period of unprecedented growth, service modernization, and innovation. As described in Section 4, The proposed budget includes several key initiatives:

- a. The proposed 2024 DRT Business Plan and Budget provides for up to 569,876 hours of annual scheduled revenue service and 174,692 hours of On Demand revenue service. As a result of the service model transition, this is the first year that DRT is reporting separate revenue service hours for scheduled and On Demand. The 2024 service plan includes an increase of 59,665 hours above the adjusted 2023 base service hours at an estimated net cost of \$5.9 million and will provide for:
 - select resumption of service suspended in January within Ajax, Whitby, and Clarington that was reallocated in January to address growth demands across the system. This will provide service to areas of furthest distance to a transit stop.
 - new service to Seaton and Whites Road in Pickering 7 days per week.
 - Approximately 7,000 additional hours to support service reliability for select routes most impacted by known construction projects.
 - Approximately 5,000 additional service hours to improve reliability on select routes most impacted by increasing congestion.

- Approximately 7,000 additional On Demand hours to increase capacity to meet ridership pressures in new growth and rural areas.
 - approximately 7,000 additional On Demand hours to increase capacity in urban areas.
- b. In consideration of implementing 85.4 per cent of planned 2024 revenue service hours, the following service enhancements will be deferred:
- scheduled service to growth areas
 - service hours to improve reliability for all routes impacted by known construction projects and congestion.
- c. The 2024 DRT Business Plan and Budget includes capital investments totaling \$342.1 million that includes:
- 18 growth battery electric buses planned to be delivered in 2026 (\$31.7 million);
 - electric vehicle charging infrastructure and related equipment (\$19.2 million);
 - 16 battery electric buses, as replacements for diesel buses planned to be delivered in 2026 (\$27.5 million);
 - advancing planning and construction for DRT's new facility in north Oshawa to support fleet electrification (\$240.0 million);
 - construction & design of Harmony and Pickering terminals (\$15.0 million);
 - Various infrastructure related upgrades to bus storage facilities at Westney and Raleigh garages (\$10.5 million).
 - Capital investments include a previously approved Investing in Canada Infrastructure Program (ICIP) bus stop infrastructure improvement project (\$3.0 million).
- d. As approved by Regional Council approval on February 28, 2024, the \$0.25 increase to the base adult fare will be implemented July 1, 2024, with proportional adjustment to other fare concessions at the established discount rates. The fare change will generate an estimated \$0.95 million in additional revenue in 2024, and the annualized impact is a revenue increase of approximately \$1.9 million.
- e. The UPASS Agreement with Durham College, Ontario Tech University and Trent University continues to offer exceptional value for students. For the period September 1, 2024, to August 31, 2025, a one-year extension was

previously approved by Regional Council with a 1.9 cent fee adjustment, increasing the U-Pass cost from \$150 to \$152.85 per semester (four months). The UPASS fee adjustment will generate an estimated \$63,000 in additional revenue in 2024, and the annualized impact is an increase of \$140,000.

- f. Increase in the payment to PRESTO (\$0.6 million) resulting from increasing ridership, in accordance with the Metrolinx-905 transit agency operating agreement. Ridership is projected to be 13.4 million passengers in 2024 based on ridership trends and planned service and ridership recovery efforts, exceeding peak pre-pandemic ridership by 20%.
- g. Continue strategic planning activities to support DRT's long-term planning and continuous improvement efforts, including development of a workplace safety program supporting fleet electrification, integration of an on-time performance analytics platform, and investment into a rebranding strategy (at a combined cost of \$0.6 million).
- h. Implement comprehensive strategic asset management practices for the transit fleet, such as regular maintenance schedules tailored to each vehicle's usage patterns and implementing advanced diagnostics and monitoring systems, which can significantly enhance vehicle longevity and operational efficiency.

- 5.4 The DRT 2024 Business Plan and Budget provides for 94 new full-time positions. Service Plan enhancements require 36 new positions, and 41 new positions are required to support the service model transition (Figure 4). The work performed by the 41 positions attributed to service model transition was previously delivered through DRT's contract with the third-party service provider. While DRT will require staff capacity to support fundamental business management and operations, such as business transformation, project management, asset and energy management, and carbon off-set revenue streams, the 17 new positions (Figure 5), which were not contemplated in the Service Strategy, are required in 2024 to fill existing capacity gaps and minimize safety, security, and operational risks.

Figure 4 – Service Plan and Service Model Transition staffing requirements

Position Title	Total Annual Cost	Number of Positions	Rationale
Operations Supervisor	\$453,357	3 (1 for Service Plan, 2 for Service Model Transition)	As service increases, additional operational supervisors are needed in the field to oversee operations, respond to emergency situations and complaints, supervise employees, conduct investigations, and other key functions.
Mechanic	\$779,100	6 (3 for Service Plan, 3 for Service Model Transition)	With 57,648 new service hours coming online in 2024, additional mechanic positions are required to ensure adequate fleet maintenance capacity.
Operators	\$6,710,382	63 (29 for the Service Plan, 34 for Service Model Transition)	Required to deliver approved revenue service hours.
Service Lane Staff	\$492,060	5 For Service Model transition	Service Lane staff provide critical functions, such as bus cleaning and washing, parking, fueling and other tasks.

Figure 5 – Additional staff requirements to fill existing capacity gaps.

Position Title	Budget (50%) & Annualized	Number of Positions	Rationale
Coordinator, Transit Technical Services	(\$63,299) \$114,802	1	DRT faces several evolving and new technical requirements, including fare integration, electrification requirements, ongoing support for our internal IT systems. This role is currently funded by DRT as a temporary position.
Manager, Safety & Training	(\$75,560) \$151,120	1	With expected continued service demand increases, resumption of cyclical operator training, and the corresponding increases in operator positions, additional and sustained training is required. This role is currently funded by DRT as a temporary position.
Data Analyst	(\$69,141) \$137,202	1	The ability to interpret and present data is a key function of any Transit agency and allows for proactive and evidence-based decision-making. This position ensures capacity to conduct advanced data analysis to realize operational and financial savings. This role is currently funded by DRT as a temporary position.
Fleet Engineer	(\$82,634) \$165,268	1	As DRT matures, this position will support evolving maintenance programs and processes, fleet asset management to support data-based vehicle life cycle decisions, repair campaigns, major rebuilds and other fleet engineering decisions, ensuring effective management of a core asset.
Maintenance Information & System Specialist	(\$69,141) \$137,202	1	This position will ensure the fleet management system is fully utilized across all asset classes to support efficiencies. This includes inventory and life cycle costing, inventory control and management, and represents a core business requirement for effective fleet management. The role will drive efficiencies in fleet and inventory management.

On-Route Coordinator	(\$63,299) \$114,802	1	This position supports on-route operations such as garbage/graffiti removal, shelter issues and maintenance, and many others. This role is currently funded by DRT as a temporary position.
Manager, Finance, Analytics and Reporting	(\$98,958) \$197,916	1	This position fills a gap within the organization, providing needed capacity to support core business functions, including proactive analytics and reporting, improved coordination with Regional Finance to support increasing reporting requirements for funding programs and fleet electrification, and function as a key driver for strategic initiatives and continuous improvement across the department. In addition, this position will be central to improve business performance in general and oversee broader business transformation objectives.
Mechanic	(\$129,850) \$259,700	2	The maintenance division requires two additional mechanics to enhance staff capacity to ensure DRT continues to meet fleet maintenance program requirements for existing fleet size.
Maintenance Supervisor	(\$165,268) \$330,536	2	The maintenance division requires two additional maintenance supervisors to provide effective management and supervision for maintenance staff and to ensure site safety and security for the 24/7 maintenance operation.
Storeperson	(\$53,257) \$106,514	1	As DRT moves towards a more proactive and cost-effective maintenance schedule through the implementation of the fleet maintenance system, an additional resource is required to meet increased workloads and ensure coverage and inventory control across all shifts.
Operators	\$(266,285) \$532,570	5	The operations division requires five additional operators to provide coverage necessary to reinstate annual cyclical training for bus operators, which will include new and emerging operational policies, programs and procedures, programs such as DEI foundations and accessibility and disability awareness, and defensive driving refresher to minimize risks of on-street incidents.

- 5.5 The DRT 2024 Business Plan and Budget is also funding the equivalent of two outreach worker resources for Social Services in 2024 through a pilot (\$244,046 annualized) dedicated to supporting at risk residents and populations interacting with DRT. In addition, DRT is also funding one Recruiter for Human Resources (\$115,882 annualized) dedicated to DRT's unprecedented recruitment requirements for growth and replacement staff.
- 5.6 Fare and other revenue streams continue to provide necessary funding to maximize service levels across the transit network. The following are highlights related to 2024 fare and advertising revenues:
- a. 2024 fare revenues (including U-Pass) are projected at \$36.1 million, or 123 per cent of pre-pandemic levels (2020 budgeted revenues), an increase of \$7.2 million (25.0 per cent) from 2023 budgeted levels.
 - b. 2024 advertising revenue is projected to be \$1.2 million, an increase of \$0.4 million (54.8 per cent) from 2023 budget levels.
- 5.7 DRT will continue to advance key initiatives throughout 2024 that support the Region's climate change objectives including the delivery of DRT's first six battery electric buses and installation of related charging infrastructure and utility upgrades at DRT's Raleigh Depot in Oshawa. Other on-going initiatives include the continued installation of solar lighting in DRT bus shelters (2020 Investing in Canada Infrastructure Program funding) and evaluating lighting solutions for remote bus stops.
- 5.8 DRT will also continue to progress implementation of the transit fleet Electrification Plan, which includes the purchase and delivery of up to 107 battery electric buses by 2027 and related charging equipment and infrastructure, leveraging debenture financing through the Canada Infrastructure Bank (up to \$20.2 million in 2024, up to \$62 million overall) and pending federal funding from Infrastructure Canada through the Zero Emission Transit Fund.
- 5.9 As per Report [#2023-DRT-23](#), DRT was provided delegated authority to begin negotiations on a Principal Agreement with PowerOn Energy Solutions LP ("PowerON"), for the engineering, procurement, construction, management, operations and maintenance of electrification infrastructure, according to predefined stipulations within the term sheet provided. Negotiations are progressing, with a report expected at the April 3rd, 2024, Transit Executive Committee Meeting and April 16, 2024 Finance and Administration Committee meeting. By partnering with PowerON, DRT seeks to benefit from leading industry

experience with respect to electrification, along with significant savings in time and costs, to best support the implementation of the transit Electrification Plan and mitigate risks and uncertainties.

6. 2024 Risks and Uncertainties

6.1 Several key risks may impact DRT in 2024 and beyond, including the following.

- a. While ridership has fully recovered, the post-pandemic demand for transit travel places growing pressures across all DRT services. DRT continues to experience ridership pressures based on existing network capacity, including On Demand. Strategic service optimization may be required to sustain the network in areas of highest demand.
- b. Work, school and leisure travel patterns have changed by remote/hybrid approaches and options that are now commonplace across the Region, one of the lasting impacts of the pandemic. These distinct shifts in travel patterns change where and when transit is most needed, prompting additional services for midday and weekend service, new growth routes, and a shift in routing to support local travel within Durham Region. While DRT continues to accommodate a variety of travel markets, further adjustments to the network may be required in the future.
- c. The Province has not announced the 2023-24 Provincial Gas Tax program funding allocations. The 2024 Business Plan and Budget has assumed the Province will maintain the 2022-23 funding allocation to DRT of \$9.35 million.
- d. DRT, and the transit industry more broadly, continue to face pressures resulting from supply chain constraints for parts and equipment, and longer than normal production timelines for new vehicles (i.e., up to 24 months). Timely repair and refurbishment for the transit fleet continues to mitigate major repair costs and ensure service availability.
- e. Fuel price fluctuations and weather-related impacts on facility and bus stop maintenance expenditures is a regular and ongoing uncertainty.
- f. The deferral of staff capacity to further a solid foundation for the organization remains a risk to DRT to meet organizational and operational objectives and efficiencies with respect to lost opportunity costs (limited capacity to pursue and secure external funding), reduced risk management (contract/vendor management staff), and other fundamental business operations, such as dedicated staffing to support the \$750 million fleet Electrification Plan.

- g. Recovery from the Raleigh bus fire continues to pose operational risks for DRT. These challenges have been mitigated with assistance from other transit partners, however continued ridership demand and existing plans for fleet and facility electrification will require interim measures to fully leverage available funding while meeting operational pressures.

7. Future Budget Pressures and Opportunities

- 7.1 DRT's 2024 Business Plan and Budget includes the following items that will have an impact for the 2025 budget, these include:
 - a. Annualization of the seventeen new positions included in the 2024 budget (estimated incremental impact on the 2025 budget of \$1.1 million).
 - b. Annualization of the fare adjustments taking effect July 1, 2024, and UPass adjustments taking effect September 1, 2024 (estimated incremental revenue on the 2025 budget of \$1.0 million).
- 7.2 Beyond 2022-23 there is uncertainty with Durham's share of Provincial Gas Tax revenues due to declines in Ontario gasoline sales following the COVID-19 pandemic. The 2021-2022 Gas Tax program allocation was the first to reflect impacts of the COVID-19 pandemic based on 2020 ridership and gasoline sales. The Province announced in late 2021 that municipal Gas Tax allocations for 2021-22 would be topped up to 2020-2021 program levels, through a one-time \$120 million provincial commitment to help mitigate the impacts of COVID-19. A similar top up was announced by the Province for 2022-23 with a one-time \$80 million contribution. It is unknown whether future provincial gas tax allocations will be affected.
- 7.3 One of the objectives of the Transit Strategy is to enhance the competitiveness of public transit in Durham relative to comparator municipalities in the Greater Toronto and Hamilton Area (GTHA) and Ontario. A competitive transit network supports economic development by enabling seamless and timely travel to employment, training and education opportunities across the Region. Implementation of the Transit Service and Financing Strategy (2023-2032), including investment from the Region and other orders of government, are crucial to achieving the Region's vision for transit in Durham.
- 7.4 2024 is the second year of the Transit Service and Financing Strategy (2023-2032), and DRT has been required to reduce investment in planned revenue service hours. Sustained deferral of service levels poses material challenges to the overall service, and is cumulative in nature (Figure 3). Accordingly, significant

investments by the Region and from other levels of government are required over the ten-year Transit Strategy to improve service levels available to residents, advance fleet electrification, expand infrastructure and improve passenger amenities. This includes:

- a. Significant service expansion including annual increases by an additional 625,000 revenue service hours by 2032.
- b. Acquisition of 325 growth and replacement battery electric buses and associated charging infrastructure that will support the transition of up to 90 per cent of DRT's fleet to zero emission technologies by 2032.
- c. Capital and operating impacts for the new maintenance and storage facility to be constructed at 2400 Thornton Road in north Oshawa.
- d. Upgrades and expansion to transit terminals including Harmony, Pickering Parkway and Windfield Farms.
- e. Completing bus stop safety and accessibility improvements (e.g., hard surfacing, lighting installations) by 2025 in accordance with the *Accessibility for Ontarians with Disabilities Act*.
- f. Rightsizing the staff complement to ensure additional service is supported from a business perspective, and that DRT does not continue to fall behind with respect to innovation, proactive vs reactive fleet and facility maintenance, lost opportunities, risk management and many others, which may in fact drive costs up in the long term.
- g. Staff is currently waiting for feedback from Infrastructure Canada on the Region's grant application submitted under the Zero Emission Transit Fund program. Approval of this federal funding is critical to the implementation of the Region's fleet electrification strategy. Without significant financial contributions from senior governments, Staff will need to review and will report back on the scale, scope and timing of the above initiatives to align with the level of available funding.

8. Relationship to Strategic Plan

8.1 This report aligns with/addresses the following strategic goal and priorities in the Durham Region Strategic Plan.

- a. Goal 1 Environmental Sustainability – The proposed budget includes a number of elements directly and indirectly linked to the expansion of DRT's electric fleet, as well as sustainable and active transportation. Moreover, proposed service enhancements, albeit reduced, should still result in

continued transit ridership recovery thereby reducing reliance on single-use vehicle trips.

- b. Goal 5 Service Excellence – to provide exceptional value to Durham taxpayers through responsive, effective, and fiscally sustainable service delivery. By responsibly managing the Region’s financial assets, the proposed 2024 DRT Business Plan and Budget optimizes resources within the budget guideline.

9. Conclusion

- 9.1 The recommended 2024 DRT Business Plan and Budget meets the Council approved guideline for the 2024 Property Tax Supported Business Plan and Budgets, representing 1.6 per cent of the overall Regional tax levy, and delivering 59,665 new annual service hours which represents 85.4 per cent of the Transit Strategy revenue service hours.
- 9.2 It is recommended that the Transit Executive Committee approve the 2024 Business Plan and Budget for DRT and forward this report to the Finance and Administration Committee for consideration during the budget deliberations of the 2024 Property Tax Supported Business Plan and Budget.
- 9.3 This report has been reviewed by the Finance Department and the Commissioner of Finance/Treasurer of DRT concurs with the recommendation.

10. Attachments

- 10.1 The detailed 2024 Business Plans and Budget for DRT is attached.

Respectfully submitted,

Original signed by:

Bill Holmes
General Manager, DRT

Recommended for Presentation to Committee

Original signed by:

Elaine C. Baxter-Trahair
Chief Administrative Officer

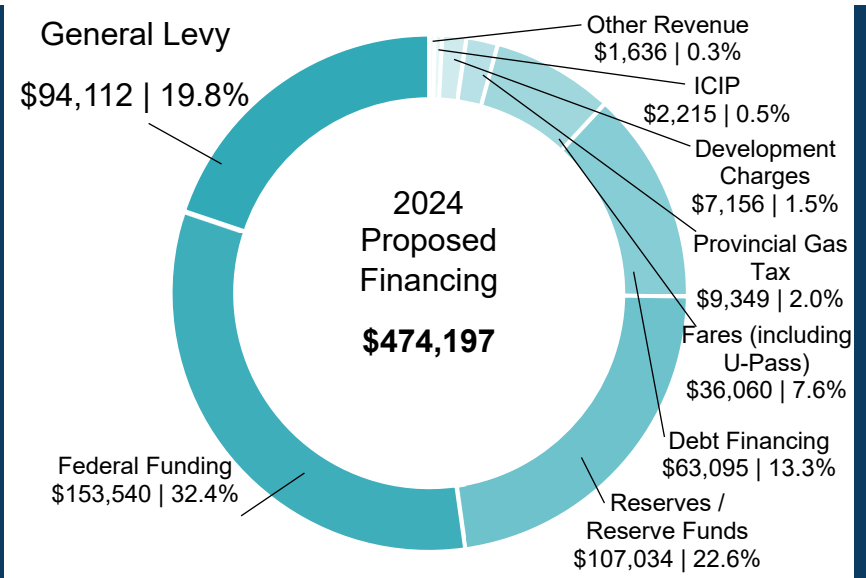
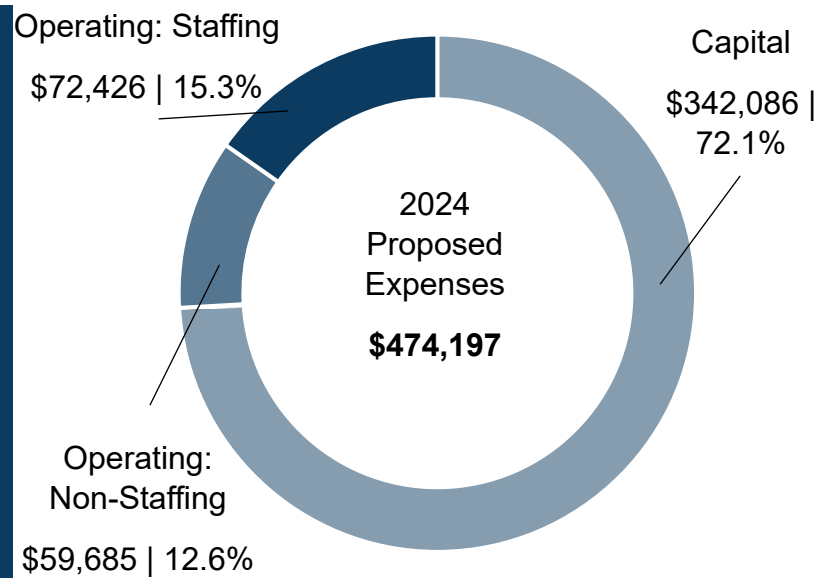


Durham Budget

2024

DURHAM REGION TRANSIT

As one of Ontario's largest regional transit systems, serving 8 unique area municipalities over 2,500 square kilometres, DRT delivers an integrated transit network through innovative, connected, and competitive mobility services so Durham residents and visitors can use public transit to conveniently get to where they need to go and to encourage more livable and healthy communities



Amounts are in \$,000's

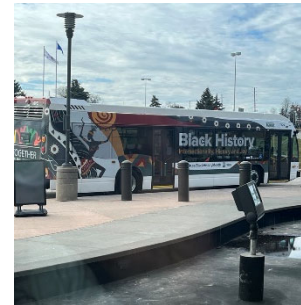
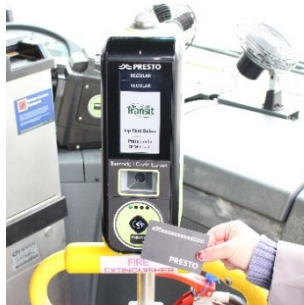


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Major Programs and Services

Durham Region Transit

Administration

Support the Regional service delivery and provincial reporting requirements of the Commission, plan and schedule fixed routes and demand-responsive services, provide clerical and technical support to the various internal groups at DRT and interface with other Region of Durham Departments for corporate support services.

Operations

Manage and deliver safe, reliable, and fully accessible conventional transit fixed-route service, as well as demand-responsive transportation services where fixed-route service is unavailable.

Maintenance - Equipment

Manage and maintain DRT's vehicle fleet, equipment, tools, and maintenance contracts, so that DRT's capital assets remain in a state of good repair, provide safe and ready transportation for customers and employees, and are maintained, replaced and/or expanded as needed.

Specialized Services

Provide demand-responsive, origin-to-destination transportation services, including eligible persons with disabilities using the full range of available public transportation services.

Northern Service

Manage and administer conventional and demand-responsive services in the North Durham communities of Scugog, Uxbridge, and Brock Townships.

Facilities Management

Provide overall lifecycle management of all Regional transit facilities and infrastructure. Services include facility maintenance and servicing of DRT facilities and infrastructure to ensure they remain safe and in a state of good repair.

Debt Service

To fund debt servicing costs for current and future major capital projects.

Headquarters Shared Cost – Durham Region Transit Portion

The allocated share of costs attributable to Durham Region Transit for the operation of Regional Headquarters facility.

Major Capital

Consolidated capital program for Durham Region Transit.

Strategic Priorities

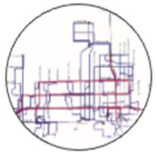
For 2024 some of the key priorities and planned actions focus on:

Environmental Sustainability



Continued investment and work towards the implementation of a zero emissions, electric fleet and supporting capital infrastructure

Community Vitality



Maximize additional service hours within budget guideline, according to the Transit Service and Financing Strategy (2023-2032) to improve access to a frequent and reliable transit network across the Region

Economic Prosperity



Continue to investigate, test, and deploy new mobility models and systems to showcase Durham as an innovative and forward-looking jurisdiction

Strategic Priorities Continued

Social Investment



Pilot having two dedicated outreach workers providing support and assisting individuals interacting with or accessing transit, in order to support the diverse needs of the community

Service Excellence



Service enhancements to promote healthy transportation choices through optimizing a robust transit network leveraging fixed route service and demand responsive service



Asset replacement principles that are based on financial sustainability and optimizing the life span of major assets and overall economic efficiency



Continue enhancement of the new demand response service amalgamating On Demand and Specialized Services ensuring customer equity in access to services, technology, and information


Key Targets for 2024

Durham Region Transit

- Exceed 13.4 million revenue rides in 2024, an increase of 24 per cent over total 2023 revenue rides
- Deliver a total of 569,876 conventional service hours and 174,692 On Demand service hours in 2024, representing a service plan increase of 59,665 hours over 2023 budgeted service hours
- Achieve a minimum of 80 per cent on-time departure from all stops - compared to 69 per cent achieved in 2023
- Exceed 99.5 per cent of scheduled service delivered - compared to 97.9 per cent achieved in 2023
- Reduce DRT preventable collision rate by 10 per cent annually. In 2023, DRT achieved a 26 per cent reduction compared to 2022
- Maintain percentage of ridership paying fares with PRESTO above 80 per cent


Financial Details: Summary by Account (\$,000's)

Provides the gross expenditures and revenues - including both operating and capital - and the resulting net property tax requirement

		2023 Estimated Actuals	2023 Approved Budget (Restated)	2024 Proposed Budget	Variance	
					\$	%
Expenses						
Operating Expenses						
Personnel Expenses		58,266	59,702	72,426		
Personnel Related		627	720	720		
Communications		234	418	418		
Supplies		783	830	811		
Utilities		701	761	740		
Computer Maintenance & Operations		1,133	1,151	1,210		
Materials & Services		4,972	4,524	5,433		
Buildings & Grounds Operations		675	611	663		
Equipment Maintenance & Repairs		605	534	544		
Vehicle Operations		9,791	14,077	11,560		
Debt Charges		1,030	1,030	1,030		
Professional Services		1,100	1,001	1,074		
Contracted Services		19,100	16,413	15,381		
Leased Facilities Expenses		273	261	101		
Bad Debt Expenses		44	44	44		
Financial Expenses		4,229	4,229	4,889		
Property Taxes		409	402	425		
Minor Assets & Equipment		64	46	66		
Major Repairs & Renovations		1,518	1,095	1,388		
Provision for Future Transit Facility		4,614	4,614	9,028		
Headquarters Shared Costs		86	86	91		
Operating Expenses Subtotal		110,249	112,549	128,042	15,493	13.8%


Financial Details: Summary by Account (\$,000's)

Provides the gross expenditures and revenues - including both operating and capital - and the resulting net property tax requirement

	2023 Estimated Actuals	2023 Approved Budget (Restated)	2024 Proposed Budget	Variance	
				\$	%
Internal Transfers & Recoveries					
NextGen Charge	2	2	3		
Communications Charge	348	348	362		
Corporate IT Charge	324	324	335		
Legislative Services Charge	51	51	53		
Legal Services Charge	85	85	85		
Corporate HR Charge	422	422	497		
Planning Charge	284	284	293		
Social Assistance Charge	-		244		
Family Services Charge	20	20	20		
Finance Charge	1,874	1,874	1,927		
Internal Transfers & Recoveries Subtotal	3,410	3,410	3,819	409	12.0%
Gross Operating Expenses	113,659	115,959	131,861	15,902	13.7%
Capital Expenses					
New	158	158	180		
Replacement	181	181	70		
Major Capital	82,901	82,901	342,086		
Capital Expenses Subtotal	83,240	83,240	342,336	259,096	311.3%
Total Expenses	196,899	199,199	474,197	274,998	138.1%
Revenues and Financing					
Operating Revenue					
Safe Restart Funding	-	(3,075)	-		
Fares	(22,746)	(21,946)	(28,195)		
U-Pass	(7,619)	(6,895)	(7,865)		
Advertising	(1,707)	(807)	(1,249)		
Revenue From Program Fees	(37)	(36)	(37)		
Recovery from ODSP Discount Pass	(350)	(350)	(350)		
Recovery from Reserves/Reserve Funds	(420)	(420)	(420)		
Provincial Gas Tax	(2,111)	(2,111)	(1,611)		
Operating Revenue Subtotal	(34,990)	(35,640)	(39,727)	(4,087)	(11.5%)

Financial Details: Summary by Account (\$,000's)

Provides the gross expenditures and revenues - including both operating and capital - and the resulting net property tax requirement

 Durham Budget	2024		2023 Estimated Actuals	2023 Approved Budget (Restated)	2024 Proposed Budget	Variance	
						\$	%
Capital Financing							
ICIP Grant			(15,362)	(15,362)	(2,215)		
Transit - Residential DC			(23,362)	(23,362)	(3,548)		
Transit - Non-Residential DC			(1,822)	(1,822)	(3,608)		
Provincial Gas Tax			(14,305)	(14,305)	(7,738)		
Safe Restart Agreement Funding			(125)	(125)	-		
Zero Emission Transit Fund ¹			(3,101)	(3,101)	(153,510)		
Zero Emission Vehicle Infrastructure Program			-	-	(30)		
Capital Project Reserve			(2,500)	(2,500)	(194)		
Capital Impact Stabilization Reserve Fund			(2,339)	(2,339)	(3,500)		
Infrastructure Renewal Reserve			-	-	(80,600)		
Insurance Reserve Fund ²			-	-	(8,680)		
Transit Capital Reserve Fund			-	-	(13,640)		
CIB Debenture ³			(12,804)	(12,804)	(20,230)		
Region of Durham Debenture			(7,000)	(7,000)	(42,865)		
Capital Financing Subtotal			(82,720)	(82,720)	(340,358)	(257,638)	(311.5%)
Total Revenues and Financing			(117,710)	(118,360)	(380,085)	(261,725)	221.1%
Property Tax Requirement Durham Region Transit			79,189	80,839	94,112	13,273	16.4%


¹ Financing from the Zero Emission Transit Fund is subject to approval of the federal government and the execution of a transfer payment agreement. Should full financing not be approved, the scope and scale of these projects will be reviewed to align with any refinements to the Region's electrical vehicle implementation strategy resulting from the level of ZETF funding approved

² The 2024 budget proposes to use the insurance reserve fund to fund a portion of the costs to rebuild the Raleigh Bus Storage Facility. It is anticipated that a portion of these costs will be covered under the insurance claim. The Commissioner of Finance and Regional Treasurer will adjust the financing for this project upon confirmation of insurance proceeds

³ The Commissioner of Finance and Regional Treasurer, in consultation with the Regional Clerk, will amend the authorizing by-law by attaching a schedule 'C-2' for the acquisition of the zero emission buses approved through the 2024 Budget to be financed in part, through CIB Debenture financing. This is in accordance with the delegated authority provided by Regional Council through Report 2023-F-9

Financial Details: Summary by Program (\$,000's)


Provides the total operating expense, capital expense, subsidy, other revenue and the resulting property tax requirement for each major program and service

<div> <div>  <div> <div>Durham</div> <div>Budget</div> </div> </div> <div>2024</div> </div>	2023 Estimated Actuals	2023 Approved Budget (Restated)					2024 Proposed Budget					Variance	
		Operating Expenses	Gross Capital	Subsidy Funding	Other Funding	Approved Budget	Operating Expenses	Gross Capital	Subsidy Funding	Other Funding	Proposed Budget	\$	%
Durham Region Transit													
1 Administration	20,793	24,209	128	(648)	(3,701)	19,988	31,280	94	-	(3,643)	27,731	7,743	
2 Operations	19,040	48,830	-	(2,405)	(28,662)	17,763	56,540	-	-	(35,906)	20,634	2,871	
3 Maintenance - Equipment	26,353	30,200	211	-	(13)	30,398	32,379	156	-	(13)	32,522	2,124	
4 Specialized Service	6,296	6,839	-	-	(93)	6,746	4,813	-	-	(93)	4,720	(2,026)	
5 Northern Service	1,975	2,021	-	(22)	(96)	1,903	2,384	-	-	(72)	2,312	409	
6 Facilities Management	3,435	2,744	-	-	-	2,744	3,344	-	-	-	3,344	600	
7 Debt Service	1,030	1,030	-	-	-	1,030	1,030	-	-	-	1,030	-	
8 Headquarters Shared Cost - Durham Region Transit Portion	86	86	-	-	-	86	91	-	-	-	91	5	
9 Major Capital	181	-	82,901	(18,588)	(64,132)	181	-	342,086	(155,755)	(184,603)	1,728	1,547	
Durham Region Transit Subtotal	79,189	115,959	83,240	(21,663)	(96,697)	80,839	131,861	342,336	(155,755)	(224,330)	94,112	13,273	16.4%
Property Tax Requirement Durham Region Transit	79,189	115,959	83,240	(21,663)	(96,697)	80,839	131,861	342,336	(155,755)	(224,330)	94,112	13,273	16.4%

¹ The 2024 proposed budget includes \$153.54 million in grant funding under the federal Zero Emission Transit Fund. This funding is subject to the approval of the federal government and the execution of a transfer payment agreement

Financial Details: Summary of Capital (\$,000's)

Provides a summary of the current year capital budget, nine-year capital forecast and proposed financing summarized by asset type. See Appendices for specific capital projects

 Durham Budget	2024	2023 Restated Budget	2024 Proposed Budget	Forecast					Forecast Total
				2025	2026	2027	2028	2029-2033	
Durham Region Transit									
Capital Expenditures									
Building & Structures		26,560	274,570	139,140	38,370	1,470	1,150	136,450	316,580
Machinery & Equipment		6,556	7,718	13,724	7,781	11,728	7,120	27,812	68,165
Information Technology		2,274	712	1,476	340	341	343	1,747	4,247
Vehicles		47,805	59,260	97,709	92,589	52,196	93,347	303,200	639,041
Furniture and Fixtures		45	76	11	11	11	11	55	99
Capital Expenditure Subtotal		83,240	342,336	252,060	139,091	65,746	101,971	469,264	1,028,132
Capital Financing									
General Levy ¹		520	1,978	2,002	58,185	33,584	71,997	167,616	333,384
Provincial Gas Tax		14,305	7,738	7,738	7,738	7,738	7,738	38,689	69,641
Non-Residential DC		1,822	3,608	4,083	7,095	3,821	4,276	23,303	42,578
Residential DC		23,362	3,548	7,155	21,173	11,403	12,760	86,956	139,447
Investing in Canada Infrastructure Program (ICIP) Grant		15,362	2,215	-	-	-	-	-	-
Zero Emission Transit Fund ²		3,101	153,510	71,943	-	-	-	-	71,943
Zero Emission Vehicle Infrastructure Program		-	30	-	-	-	-	-	-
CIB Debenture ³		12,804	20,230	34,025	-	-	-	-	34,025
Region of Durham Debenture		7,000	42,865	51,955	24,900	9,200	5,200	95,200	186,455
Capital Project Reserve		2,500	194	-	-	-	-	-	-
Infrastructure Renewal Reserve		-	80,600	-	20,000	-	-	-	20,000
Insurance Reserve Fund ⁴		-	8,680	69,431	-	-	-	-	69,431
Capital Impact Reserve Fund		2,339	3,500	3,728	-	-	-	-	3,728
Transit Capital Reserve Fund		-	13,640	-	-	-	-	48,500	48,500
Safe Restart Agreement Fund		125	-	-	-	-	-	-	-
Other Financing ⁵		-	-	-	-	-	-	9,000	9,000
Capital Financing Subtotal		83,240	342,336	252,060	139,091	65,746	101,971	469,264	1,028,132
Total Capital Durham Region Transit		83,240	342,336	252,060	139,091	65,746	101,971	469,264	1,028,132

Financial Details: Summary of Capital (\$,000's)
 Provides a summary of the current year capital budget, nine-year capital forecast and proposed financing summarized by asset type. See Appendices for specific capital projects

 <div> Durham Budget </div> <div>2024</div>	2023 Restated Budget	2024 Proposed Budget	Forecast					Forecast Total
			2025	2026	2027	2028	2029-2033	

- ¹ Under the 2025-2033 capital forecast the general levy financing is projected to increase significantly to finance the projected service growth and electrification contemplated in the Ten Year Transit Servicing and Financing Strategy. Significant senior government funding is required to keep the overall levy increase within the 2 per cent cap approved as part of the strategy
- ² Financing from the Zero Emission Transit Fund is subject to approval of the federal government and the execution of a transfer payment agreement. Should full financing not be approved, the scope and scale of these projects will be reviewed to align with any refinements to the Region's electrical vehicle implementation strategy resulting from the level of ZETF funding approved
- ³ The Commissioner of Finance and Regional Treasurer, in consultation with the Regional Clerk, will amend the authorizing by-law by attaching a schedule 'C-2' for the acquisition of the zero emission buses approved through the 2024 Budget to be financed in part, through CIB Debenture financing. This is in accordance with the delegated authority provided by Regional Council through Report 2023-F-9
- ⁴ The 2024 budget proposes to use the insurance reserve fund to fund a portion of the costs to rebuild the Raleigh Bus Storage Facility. It is anticipated that a portion of these costs will be covered under the Region's insurance claim. The Commissioner of Finance and Regional Treasurer will adjust the financing for this project upon confirmation of insurance proceeds
- ⁵ Other financing in 2031 is developers contributions

Details of Budget Changes

Strategic Investments: Durham Region Transit

2024 Impact
(\$ 000's)

Service Plan adjustments provide for 59,665 in additional service hours. This is slightly less than the 69,882 services hours included in the Transit Service and Financing Strategy (2023-2032) (Report# 2023-F-6).

- 15,260 additional On Demand service hours (\$739k);
- Reinstatement of 23,613 of weekday service that was reallocated to meet growth demands in January 2024 (\$2,683);
- 9,031 additional service hours to address growth demands (\$1,009);
- 4,940 service hours to mitigate congestion (\$602k);
- 6,821 service hours for construction mitigation (\$827k).

5,860

The Service Plan includes the addition of 36.0 FTEs

Transition to Durham Region Transit directly providing all fixed conventional services while contracting for all Demand responsive services. This will result in a more streamlined and efficient service delivery model. This transition plan includes the addition of 41.0 FTEs

545

17.0 FTEs to support transit operation and administration. Details on the new permanent full time positions is provided in the Staffing Details section. Annualized impact of \$2,273k

1,136

Dedicated recruitment staff to support hiring activities including administration and participation in application review, screening, assessments, interviews, credentials and reference checks to maintain and expand DRT's workforce to sustain a growing service. Annualized cost \$119k.

59

Pilot of two dedicated outreach workers to provide support and assist individuals interacting with or accessing transit, to support the diverse needs of the community and aid vulnerable populations

244

Details of Budget Changes Continued

Continued development and expansion of transit data lake with data pipelines, dashboards and visualizations for reporting ridership, service, operations and customer experience metrics	327
Investments to develop an Electrical Vehicle Workplace Safety Program (\$316k) and an Electrical Vehicle Bus and Charger Management System (\$36k)	352
Demand Responsive software upgrades to enhance a platform that seamlessly integrates trip booking, reliable data collection, and enhance user experience	50
Increase in UPass revenue resulting from increased student enrollment	(514)
Annualization of 2023 fare increase (-\$367k) and Upass increase (-\$393k)	(760)
Increased janitorial services to reflect cleaning requirements of new portable washrooms	225
Increase in fare revenue resulting from ridership growth (-\$3,972k), a portion of this is offset through the removal of Safe Restart funding (\$2,427k)	(1,545)
Base adult fare increase of \$0.25 effective July 1, 2024 with proportional adjustments to other fare concessions per established discount rates. Annualized impact (-\$1,900k)	(940)
UPass rate increase to \$152.85 from \$150.00 effective September 1, 2024. Annualized impact (-\$140k)	(63)
Increase in Presto Commission resulting from increased ridership	628
Net increase in Major Repairs and Renovation of Buildings (\$263k) and Minor Equipment (\$50k)	313
Net increase in capital investment – see Appendix A for detailed project listing	5,872
Strategic Investments: Durham Region Transit Subtotal	11,789

Details of Budget Changes Continued

Base Adjustments: Durham Region Transit	2024 Impact (\$ 000's)
Economic Increases	1,765
Annualization of 15.0 FTEs approved in the 2023 budget	922
Inflationary increases including insurance (\$660k), contracted taxis (\$456k) and building and grounds maintenance (\$52k)	1,232
Line-by-line savings	(346)
Reduction in projected fuel pricing from 2023 budget levels	(2,594)
Increase tax levy funding for vehicle repairs and maintenance	500
Increase in Transit's share of costs for the operation and maintenance of Regional Headquarters	5
Base Adjustments: Durham Region Transit Subtotal	1,484
Net Changes: Durham Region Transit	13,273

Staffing Details

Durham Region Transit

**Full Time Equivalents
(FTE's)**

2023 Approved Complement

477.0

Proposed New Positions

Manager, Safety & Training to support new hire training, training refreshers and cyclical training	1.0
Data Analyst to support additional reporting requirements with a specific focus on the Maintenance Department's data and analytics needs	1.0
Maintenance Information & System Specialist to verify maintenance schedules, assign resources, and track costs in Maximo, the Region's maintenance management system	1.0
Fleet Engineer to support proactive fleet management, ensuring the move to fleet electrification is supported, and fleet assets are effectively managed and asset management principles are used to inform decisions on vehicle life cycles, retirement and major maintenance activities	1.0
Senior Manager, Finance, Analytics and Reporting to support core business functions and be a key driver for strategic initiatives and continuous improvement across Durham Region Transit	1.0

Staffing Details Continued

The following new positions are required to meet service plan requirements identified in the Service Plan:

Operators	29.0
Operation Supervisors	1.0
Mechanics	3.0
Service Persons	3.0

The following new positions are required to transition the delivery of all contracted services in-house:

Operators	34.0
Operation Supervisors	2.0
Mechanics	3.0
Service Persons	2.0

Operators to support mandatory annual cyclical training	5.0
---	-----

Mechanics to provide sufficient shift coverage and training and ensure a robust fleet maintenance schedule	2.0
--	-----

Maintenance Supervisors to provide effective management and supervision for staff and ensure site safety and security	2.0
---	-----

On-Route Coordinator to respond to on-route issues including garbage/graffiti, shelter maintenance, snow maintenance and sign installation and replacements	1.0
---	-----

Storeperson to support ongoing deployment of the Maintenance Management System	1.0
--	-----

Staffing Details Continued

Coordinator, Transit Technical Solutions to meet numerous new technical requirements, including the onboarding of video surveillance systems and additional system components required for fleet electrification	1.0
--	-----

Total Proposed New Positions	<u>94.0</u>
-------------------------------------	--------------------

Total Complement: Durham Region Transit	571.0
--	--------------

Looking Forward

Durham Region Transit will continue to play a vital role in enhancing its economic competitiveness by connecting people to employment and educational opportunities, supporting travel to shopping, dining and tourism destinations, and ensuring that Durham's at-risk residents have equitable access to the essential mobility services and supports they require. In 2023 Durham Region Transit neared record ridership with 10.8 million rides. Continued investment in service enhancement will be integral to economic development and competitiveness by enabling seamless and timely travel to employment opportunities within the Region and beyond, facilitated through the recently announced fare integration program.

Durham Region Transit plans to continue to transition its transit fleet to zero emission electric buses and lower greenhouse gas emission alternatives in support of climate change objectives while leveraging grant funding and partnership opportunities. Durham Region Transit is expecting the arrival of its first battery electric buses in 2024, with a goal of fully transitioning its fleet to zero emission technologies by 2037. Achievement of this goal will be dependant on receiving significant senior government funding.

Durham Region Transit will continue to collaborate with Durham Region and partners across the Greater Toronto and Hamilton Area (GTHA) to maximize investments in rapid transit infrastructure and service integration to the benefit of transit customers, including:

- Further advancing infrastructure and service innovation initiatives while leveraging investments from federal and provincial governments to stimulate the economy and ensure DRT is well positioned to meet ridership demands. This includes advancing the Highway 2 Bus Rapid Transit (BRT) infrastructure, implementing new BRT corridors by 2025 to align with the Durham Official Plan and Region's Transportation Master Plan, preparing for the Lakeshore East GO train extension to Bowmanville, supporting the Simcoe Street corridor transit visioning study, and advancing development of a new zero-emission bus garage in north Oshawa;
- Collaborating with other 905 transit agencies to advance and improve the adoption and expansion of contactless electronic fare payment options through PRESTO that support DRT's adoption rate, while leveraging new PRESTO functionality to better meet customer needs; and
- Working in partnership with transit agencies across the Greater Toronto and Hamilton Area (GTHA) to realize effective service solutions to enhance cross-boundary transit trips that deliver a seamless customer experience.

Appendix A: 2024 Durham Region Transit Capital Projects (\$,000's)

Provides financing details for capital projects proposed in 2024. See Appendix B for the comprehensive 2024 capital budget and 2025-2033 forecast

<div><div><div><div>DURHAM REGION</div></div><div>Durham Budget</div></div></div> <div>2024</div>			Quantity	New / Replacement	2024 Proposed Financing							2024 Proposed Budget	Approved Funding Prior to 2024	Forecast 2025-2033	Total Project to 2033
Durham Region Transit															
Building and Structures															
110 Westney Facilities EV Charging Infrastructure ¹	-	New	-	365	-	-	-	-	4,615	-	-	4,980	-	15,000	19,980
2710 Raleigh Storage Rebuild	-	New	-	-	8,680	-	-	-	-	-	-	8,680	-	75,000	83,680
4 Bus Bulb	-	New	-	-	194	604	202	-	-	-	-	1,000	-	-	1,000
5 Bus Stop Infrastructure (ICIP)	-	New	806	-	-	-	-	2,215	-	-	-	3,021	2,923	-	5,944
6 Bus Stop Infrastructure (Non-ICIP)	-	New	-	-	-	781	262	-	-	-	251	1,294	1,294	6,030	8,618
11 Harmony Terminal New Location	-	New	-	-	-	-	-	-	10,000	-	-	10,000	5,000	-	15,000
12 Installation of Security Gates	-	New	-	-	-	-	-	-	-	-	175	175	-	1,200	1,375
13 Integrated Service Transfer Bus Stop Infrastructure	-	New	-	-	-	241	81	-	-	-	78	400	400	4,000	4,800
15 New Indoor Bus Storage/Service Facility ¹	-	New	5,560	119,850	94,240	-	-	-	20,050	-	-	239,700	2,000	37,300	279,000
16 Pickering Parkway Terminal Upgrade	-	New	-	-	-	-	-	-	5,000	-	-	5,000	-	8,250	13,250
18 Uxbridge Transfer Facility	-	New	-	-	-	-	-	-	-	-	250	250	-	1,750	2,000
19 110 Westney VOIP Upgrades	-	New	-	-	-	-	-	-	-	-	20	20	-	-	20
20 Westney Office Interior Renovation	-	New	50	-	-	-	-	-	-	-	-	50	-	-	50
Building and Structures Total			6,416	120,215	103,114	1,626	545	2,215	39,665	-	774	274,570	11,617	148,530	434,717
Machinery and Equipment															
22 A/C Machine	1	Replacement	-	-	-	-	-	-	-	-	13	13	-	-	13
23 Additional Tire Racking	1	New	-	-	-	-	-	-	-	-	25	25	-	-	25
24 Air Conditioning Machine	1	Replacement	-	-	-	-	-	-	-	-	15	15	24	-	39
25 Camera Server Replacement	1	Replacement	-	-	-	-	-	-	-	-	28	28	-	-	28
26 EV Charging Equipment (Heavy) ¹	32	New	-	3,200	-	-	-	-	3,200	-	-	6,400	5,000	54,200	65,600
27 EV Charging Equipment (Light/Medium)	1	New	-	-	-	-	-	30	-	-	120	150	-	1,750	150
30 Integrated Control Technology - Security Project	1	New	-	-	-	-	-	-	-	-	17	17	21	-	38
31 MVI Stations East	1	New	-	-	-	-	-	-	-	-	20	20	-	-	20
32 MVI Stations West	1	New	-	-	-	-	-	-	-	-	40	40	-	-	40
34 Repair and Replace Selected Monitoring Well	1	New	-	-	-	-	-	-	-	-	25	25	45	-	70
35 Sit/stand Desks	5	New	-	-	-	-	-	-	-	-	25	25	-	-	25
36 SmartBoard with Stand	1	New	-	-	-	-	-	-	-	-	15	15	-	-	15
37 Software, Equipment, Tools, PPE, Consulting (EV) ¹	1	New	465	465	-	-	-	-	-	-	-	930	465	-	1,395
39 Tool Boxes	3	New	-	-	-	-	-	-	-	-	15	15	-	-	15
Machinery and Equipment Total			465	3,665	-	-	-	30	3,200	-	358	7,718	5,555	55,950	69,223

Appendix A: 2024 Durham Region Transit Capital Projects (\$,000's)

Provides financing details for capital projects proposed in 2024. See Appendix B for the comprehensive 2024 capital budget and 2025-2033 forecast


<div><div><div><div></div><div>Durham</div><div>Budget</div></div><div>2024</div></div></div>		Quantity	New / Replacement	2024 Proposed Financing								2024 Proposed Budget	Approved Funding Prior to 2024	Forecast 2025-2033	Total Project to 2033
				Provincial Gas Tax	Zero Emission Transit Fund ¹	Reserve / Reserve Fund	Residential DC's	Non-Residential DC's	Subsidy / Grant	Debentures ²	Other	General Levy			
Information Technology Infrastructure															
41 Desktop Computers		2	Replacement	-	-	-	-	-	-	-	-	2	2	24	26
42 ITS/APC WiFi Replacement		1	New	-	-	-	-	-	-	-	-	10	10	-	10
43 Laptop Computers		12	Replacement	-	-	-	-	-	-	-	-	23	23	32	55
44 Laptops for Training Room		20	New	-	-	-	-	-	-	-	-	40	40	-	40
45 Lightweight Laptops		2	Replacement	-	-	-	-	-	-	-	-	6	6	6	12
47 PRESTO Units for On Demand		1	New	-	-	-	-	-	-	-	-	25	25	-	25
48 Scheduling, Workforce Management Software		1	New	437	-	-	-	-	-	-	-	63	500	594	1,094
50 Westney & Farewell WiFi replacement		1	New	-	-	-	-	-	-	-	-	106	106	-	106
Information Technology Total				437	-	-	-	-	-	-	-	275	712	656	1,368
Vehicles															
51 40' Pulse Buses (Electric) ¹		18	New	-	15,120	-	1,492	2,918	-	10,710	-	-	30,240	-	268,800
52 40' Pulse Buses (Electric) Replacement ¹		16	Replacement	420	13,440	3,500	-	-	-	9,520	-	-	26,880	-	268,800
55 Additional Fareboxes/Radios For Growth Buses ¹		18	New	-	189	-	110	37	-	-	-	42	378	462	4,830
56 Additional INIT for 40' Pulse Buses ¹		18	New	-	360	-	210	71	-	-	-	79	720	-	6,400
58 Additional PRESTO for Growth Buses ¹		18	New	-	189	-	110	37	-	-	-	42	378	440	4,808
60 PRESTO/INIT MACD- Decommn/install (Pulse) ¹		16	New	-	332	-	-	-	-	-	-	332	664	-	7,055
Vehicles Total				420	29,630	3,500	1,922	3,063	-	20,230	-	495	59,260	902	565,184
Furniture and Fixtures															
62 Chairs (Safety & Training)		16	Replacement	-	-	-	-	-	-	-	-	8	8	-	8
63 Chairs (TP&I)		5	Replacement	-	-	-	-	-	-	-	-	3	3	-	3
65 Replacement of Exterior Halogen Fixtures with LED		1	Replacement	-	-	-	-	-	-	-	-	65	65	-	65
Furniture and Fixtures Total				-	-	-	-	-	-	-	-	76	76	-	76
Total Capital Durham Region Transit				7,738	153,510	106,614	3,548	3,608	2,245	63,095	-	1,978	342,336	18,730	1,070,568

¹ Financing from the Zero Emission Transit Fund is subject to the approval of the federal government and the execution of a transfer payment agreement. Should full funding not be approved, the scope and scale of these projects will be reviewed to align with any refinements to the Region's electric vehicle implementation strategy resulting from the level of ZETF funding approved

² The Debenture financing includes \$42.865 million in Region of Durham Debenture financing and \$20.23 million in Canada Infrastructure Bank (CIB) Debenture financing. The Commissioner of Finance and Regional Treasurer in consultation with the Regional Clerk will amend the authorizing by-law by attaching a schedule 'C-2' for the acquisition of the zero emission buses approved through the 2024 Budget to be financed in part, through CIB Debenture financing. This is in accordance with the delegated authority provided by Regional Council through Report 2023-F-9

Appendix B: 2024 - 2033 Durham Region Transit Capital Forecast (\$,000's)

Provides a listing for all projects within the 2024 budget and nine-year capital forecast. See Appendix A for financing details for capital projects proposed in 2024

		Expenditure Category	2024 Proposed Budget	Forecast					Forecast Total
				2025	2026	2027	2028	2029-2033	
Durham Region Transit									
Building and Structures									
1	110 Westney Facilities EV Charging Infrastructure ¹		4,980	15,000	-	-	-	-	15,000
2	710 Raleigh Storage Rebuild		8,680	75,000	-	-	-	-	75,000
3	Brooklin North Terminal		-	-	-	-	-	6,100	6,100
4	Bus Bulb		1,000	-	-	-	-	-	-
5	Bus Stop Infrastructure (ICIP)		3,021	-	-	-	-	-	-
6	Bus Stop Infrastructure (Non-ICIP)		1,294	670	670	670	670	3,350	6,030
7	Concrete Floor Repair and Epoxy Paint		-	180	-	-	-	-	180
8	Distribution Energy Resources		-	19,400	-	-	-	-	19,400
9	EV On-Route Charging Infrastructure		-	13,990	-	-	-	-	13,990
10	EV Utility and Other Facilities Upgrade		-	1,300	-	-	-	-	1,300
11	Harmony Terminal New Location		10,000	-	-	-	-	-	-
12	Installation of Security Gates		175	1,200	-	-	-	-	1,200
13	Integrated Service Transfer Bus Stop Infrastructure		400	400	400	800	400	2,000	4,000
14	New West Durham Bus Storage/Serving Facility		-	-	-	-	-	125,000	125,000
15	New Indoor Bus Storage/Servicing Facility ¹		239,700	-	37,300	-	-	-	37,300
16	Pickering Parkway Terminal Upgrade		5,000	8,250	-	-	-	-	8,250
17	Replacement of Eaton UPS Unit		-	-	-	-	80	-	80
18	Uxbridge Transfer Facility		250	1,750	-	-	-	-	1,750
19	110 Westney VOIP Upgrades		20	-	-	-	-	-	-
20	Westney Office Interior Renovation		50	-	-	-	-	-	-
21	Windfield Farms Terminal		-	2,000	-	-	-	-	2,000
Building and Structures Subtotal			274,570	139,140	38,370	1,470	1,150	136,450	316,580


Appendix B: 2024 - 2033 Durham Region Transit Capital Forecast (\$,000's)

Provides a listing for all projects within the 2024 budget and nine-year capital forecast. See Appendix A for financing details for capital projects proposed in 2024

<div><div><div>Durham Region</div><div>Durham Budget</div></div><div>2024</div></div>		Expenditure Category	2024 Proposed Budget	Forecast					Forecast Total
				2025	2026	2027	2028	2029-2033	
Machinery and Equipment									
22	A/C Machine		13	-	-	-	-	-	-
23	Additional Tire Racking		25	-	-	-	-	-	-
24	Air Conditioning Machine		15	-	-	-	-	-	-
25	Camera Server Replacement		28	-	-	-	-	-	-
26	EV Charging Equipment (Heavy) ¹		6,400	10,600	7,600	9,200	5,200	21,600	54,200
27	EV Charging Equipment (Light/Medium)		150	1,750	-	-	-	-	1,750
28	Garage Equipment (2025-33)		-	174	181	188	195	1,022	1,760
29	Hoist Replacements		-	-	-	2,340	1,725	5,190	9,255
30	Integrated Control Technology - Security Project		17	-	-	-	-	-	-
31	MVI Stations East		20	-	-	-	-	-	-
32	MVI Stations West		40	-	-	-	-	-	-
33	On-Board Destination Signs		-	750	-	-	-	-	750
34	Repair and Replace Selected Monitoring Well		25	-	-	-	-	-	-
35	Sit/Stand Desks		25	-	-	-	-	-	-
36	SmartBoard with Stand		15	-	-	-	-	-	-
37	Software, Equipment, Tools, PPE, Consulting (EV) ¹		930	-	-	-	-	-	-
38	Tire Bay Hoist Replacement		-	450	-	-	-	-	450
39	Tool Boxes		15	-	-	-	-	-	-
Machinery and Equipment Subtotal			7,718	13,724	7,781	11,728	7,120	27,812	68,165

Appendix B: 2024 - 2033 Durham Region Transit Capital Forecast (\$,000's)

Provides a listing for all projects within the 2024 budget and nine-year capital forecast. See Appendix A for financing details for capital projects proposed in 2024

<div> <div>  <div> <div>Durham</div> <div>Budget</div> </div> </div> <div>2024</div> </div>		Expenditure Category	2024 Proposed Budget	Forecast					Forecast Total
				2025	2026	2027	2028	2029-2033	
Information Technology									
40	Computers		-	88	90	91	93	497	859
41	Desktop Computers		2	-	-	-	-	-	-
42	ITS/APC WiFi Replacement		10	-	-	-	-	-	-
43	Laptop Computers		23	-	-	-	-	-	-
44	Laptops for Training Room		40	-	-	-	-	-	-
45	Lightweight Laptops		6	-	-	-	-	-	-
46	Modems for Destination Sign Project		-	1,138	-	-	-	-	1,138
47	PRESTO Units for On Demand		25	-	-	-	-	-	-
48	Scheduling, Workforce Management Software		500	-	-	-	-	-	-
49	Smart Technology		-	250	250	250	250	1,250	2,250
50	Westney & Farewell WiFi replacement		106	-	-	-	-	-	-
Information Technology Subtotal			712	1,476	340	341	343	1,747	4,247
Vehicles									
51	40' Pulse Buses (Electric) ¹	Quantity	18	22	30	3	24	63	142
		Total	30,240	36,960	50,400	5,040	40,320	105,840	238,560
52	40' Pulse Buses (Electric) Replacement ¹	Quantity	16	16	16	16	16	80	144
		Total	26,880	26,880	26,880	26,880	26,880	134,400	241,920
53	60' Pulse Buses (Electric)	Quantity	-	13	5	8	-	22	48
		Total	-	30,030	11,550	18,480	-	50,820	110,880
54	60' Pulse Buses (Electric) Replacement	Quantity	-	-	-	-	10	-	10
		Total	-	-	-	-	23,100	-	23,100
55	Additional Fareboxes/Radios For Growth Buses ¹	Quantity	18	35	35	11	24	85	190
		Total	378	735	735	231	504	1,785	3,990
56	Additional INIT for 40' Pulse Buses ¹	Quantity	18	22	30	3	24	63	142
		Total	720	880	1,200	120	960	2,520	5,680
57	Additional INIT for 60' Pulse Buses	Quantity		13	5	8	-	22	48
		Total	-	715	275	440	-	1,210	2,640
58	Additional PRESTO for Growth Buses ¹	Quantity	18	35	35	11	24	85	190
		Total	378	735	735	231	504	1,785	3,990

Appendix B: 2024 - 2033 Durham Region Transit Capital Forecast (\$,000's)

Provides a listing for all projects within the 2024 budget and nine-year capital forecast. See Appendix A for financing details for capital projects proposed in 2024

<div><div><div><div>DURHAM REGION</div></div><div>Durham Budget</div></div><div>2024</div></div>			Expenditure Category	2024 Proposed Budget	Forecast					Forecast Total
				2025	2026	2027	2028	2029-2033		
59	Electric Bus Refurbishment	Quantity	-	-	-	-	-	1	1	
		Total	-	-	-	-	-	1,200	1,200	
60	PRESTO/INIT MACD- Decommn/install (Pulse) ¹	Quantity	16	16	16	16	26	80	154	
		Total	664	664	664	664	1,079	3,320	6,391	
61	Service Vehicle Replacement	Quantity	-	2	2	1	-	2	7	
		Total	-	110	150	110	-	320	690	
Vehicles Subtotal				59,260	97,709	92,589	52,196	93,347	303,200	639,041
Furniture and Fixtures										
62	Chairs (Safety & Training)		8	-	-	-	-	-	-	-
63	Chairs (TP&I)		3	-	-	-	-	-	-	-
64	Furniture		-	11	11	11	11	55	99	
65	Replacement of Exterior Halogen Fixtures with LED		65	-	-	-	-	-	-	-
Furniture and Fixtures Subtotal				76	11	11	11	11	55	99
Total Capital Durham Region Transit				342,336	252,060	139,091	65,746	101,971	469,264	1,028,132

¹ Projects #1, #15, #26, #37, #51, #52, #55, #56, #58 and #60 are contingent on the federal government approving the Region's funding application under the Zero Emission Transit Fund Program and the execution of a transfer payment agreement. Should full funding not be approved, the scope and scale of these projects will be reviewed to align with any refinements to the Region's electrical vehicle implementation strategy resulting from the level of funding approved.