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The Regional Municipality of Durham

MINUTES

FINANCE & ADMINISTRATION COMMITTEE

Tuesday, February 14, 2023

A regular meeting of the Finance & Administration Committee was held on Tuesday, February 14, 2023 in the Council Chambers, Regional Headquarters Building, 605 Rossland Road East, Whitby, Ontario at 9:30 AM. Electronic participation was offered for this meeting.

1. Roll Call

Present: Councillor Ashe, Chair
Councillor Leahy, Vice-Chair
Councillor Garrod
Councillor Lee*
Councillor McDougall
Councillor Schummer*
Councillor Woo
Regional Chair Henry

Also

Present: Councillor Barton
Councillor Carter* attended for part of the meeting
Councillor Crawford
Councillor Neal attended for part of the meeting
***denotes Councillors participating electronically**

Staff

Present: E. Baxter-Trahair, Chief Administrative Officer
B. Goodwin, Commissioner of Corporate Services
N. Taylor, Commissioner of Finance
J. Austin, Deputy General Manager – Transit Support Services
S. Austin, Director, Strategic Initiatives
B. Bridgeman, Commissioner of Planning & Economic Development
J. Cermak, Director, Financial Services
A. Hector-Alexander, Director, Diversity, Equity, and Inclusion
W. Holmes, General Manager, DRT
J. Hunt, Regional Solicitor/Director of Legal Services
R. Inacio, Systems Support Specialist, Corporate Services – IT
C. Norris, Deputy General Manager – Transit Operations
N. Pincombe, Director, Business Planning & Budgeting
J. Presta, Commissioner of Works, attended for part of the meeting
D. Ramkissoon, Manager, Investment Portfolio
K. Smith, Committee Clerk, Corporate Services – Legislative Services
A. Wismer, Economic Analyst, Financial Planning

L. Fleury, Legislative Officer and Deputy Clerk Pro Tem, Corporate Services
– Legislative Services

2. Declarations of Interest

There were no declarations of interest made.

3. Adoption of Minutes

Moved by Councillor Leahy, Seconded by Councillor Garrod,
(13) That the minutes of the regular Finance & Administration Committee
meeting held on Tuesday, January 17 2023, be adopted.

CARRIED

Councillor Neal asked why the question he raised at the January meeting
regarding the Transit related law suit with the City of Oshawa was not
included in the minutes.

4. Statutory Public Meetings

There were no statutory public meetings.

5. Presentations

5.1 Nancy Taylor, Commissioner of Finance & Treasurer, Jamie Austin, Deputy
General Manager – Transit Support Services, Christopher Norris, Deputy General
Manager - Transit Operations, and Nicole Pincombe, Director, Business Planning
& Budgeting, re: Transit Service and Financing Strategy (2023 – 2032) (2023-F-5)

N. Taylor provided opening remarks and advised that it is important to clearly
outline the Region's goals with respect to Transit to assist with advocacy efforts.
She thanked staff for the time and effort spent developing the report.

B. Holmes, General Manager, Durham Region Transit, provided further opening
remarks and noted that ridership recovery strategies are paying off and numbers
have gone up, and that the reality of hybrid work continues to impact travel to
Toronto, but stronger local patterns have emerged. He added that the decisions
being made today are very important to shape the future of the Regional transit
network. B. Holmes outlined numerous Transit accomplishments and added that
past investments are not enough to prepare for the Durham of today. He advised
that the primary determinants of Transit success are access, frequency and
reliability of service and a significant investment in transit is needed to reach
those goals.

Jamie Austin, Deputy General Manager – Transit Support Services, Christopher
Norris, Deputy General Manager - Transit Operations, and Nicole Pincombe,
Director, Business Planning & Budgeting provided a presentation with respect to
the Transit Service and Financing Strategy (2023 – 2032). Highlights of the
presentation included:

- Transit Service and Financing Strategy (2023–2032) Recommendations
- Transit is essential to Durham’s future
- Land use is essential to transit’s success
- Ridership Recovery and Outlook
- Service Enhancements
- Durham Transit Investments vs Peers
- 2023-2032 Service Investment
- 2032 Frequent and Available Transit Network
- 2032 Integrated Transit Network
- Transition to Zero Emission Vehicles
- Fare Modernization
- Proposed Fare Structure
- DRT Charter Service
- Cost Pressures and Financing Opportunities
- 10-Year Durham Region Transit Forecast
- Risk and Considerations
- Conclusions

Staff responded to questions with respect to the \$0.10 cent increase in the cash fare and what programs and supports are being offered for lower income individuals; the tax impact of 2% and whether the transit related tax increases are expected to be the same each year; the removal of on-demand routes; capturing the number of individuals attempting to use on-demand services unsuccessfully; available payment methods for transit; fare modernization; reliability of on-demand service in rural areas of Clarington; the number of on-demand vehicles; the time to transition to electronic vehicles; use of Uber for on-demand vehicles; the wait times for on-demand transit; the increase in on-demand requests in rural areas; charter rates; ways to improve access to transit; plans for providing connections between south and north Durham; and, the status of the Federal Gas Tax funding and how it could impact current Transit funding models.

6. Delegations

6.1 Jo-anne Marr, President & CEO, Oak Valley Health, re: Regional Council Community Grant Investment Support on the Upcoming Redevelopment of the Uxbridge Hospital

Jo-anne Marr, President & CEO, Oak Valley Health appeared before the Committee with respect to Regional Council Community Grant Investment Support on the Upcoming Redevelopment of the Uxbridge Hospital.

J. Marr outlined the following:

- Uxbridge campus of care
- Population served by Uxbridge Hospital
- Meeting long-term care needs

- Enhanced services
- Regional Support – 7.5%=- approximately \$10 million

J. Marr responded to questions with respect to the cost, operational and care efficiencies that will be realized with having the hospital and long-term care home co-located; and the increase in the number and type of beds from the redevelopment.

Moved by Councillor Garrod, Seconded by Regional Chair Henry,
(14) That the delegation from Jo-anne Mar with a request for Community Investment Grant Support for the Uxbridge Hospital Redevelopment project be referred to staff for consideration for inclusion in the Region's hospital capital program.

CARRIED

N. Taylor advised that staff will report back on the grant request from Oak Valley Health.

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

Ian Sinnott, DRT Chair, Unifor Local 222 appeared before the Committee with respect to the Transit Long-Term Service and Financing Strategy.

Ian Sinnott outlined the following:

- Buses are running at or near capacity so at times can't pick up members of the public;
- Transit funding does not keep up with the services required;
- A transit report by the Toronto Board of Trade outlined a standard transit wait time of 10 minutes, with 13 to 15 minutes being the maximum desirable time to wait; Durham Region Transit service frequency is 15 to 30 minutes, with most between 20 to 30 minutes;
- Relative to comparators, Durham provides the lowest funding revenue hours per capita;
- Population of Durham Region is set to grow significantly, there will also be university growth; studies indicate that public transit is more relied on by certain groups of people; and
- Transit is key to attracting top employers, cutting commute times and decreasing GHG emissions; and will position Durham Region for growth and investment.

I. Sinnott concluded that an annual investment of \$1.27 million revenue service hours is needed to keep up with the forecasted growth in Durham Region.

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

Jeff Gray, President, Unifor Local 222 appeared before the Committee with respect to the Transit Long-Term Service and Financing Strategy.

J. Gray outlined the following:

- It is good that Unifor continues to partner with businesses for equality; the union is on a path of manufacturing recovery, and they want to continue to motivate in Oshawa;
- It is bad that in the early 1990's good manufacturing jobs moved to third world countries, it was the beginning of unfair trade, and manufacturing jobs still have lower wages now;
- It is a problem that with jobs with low pay, low or no pensions plans, inflation, and the cost of housing and food, workers rely on ride sharing programs like Uber to get to work. The cost of an Uber is \$18 one way from Durham College to the General Motors plant in Oshawa, and employees wait to order Ubers until after 6 am because it is less expensive, which makes them late for work;
- Transit needs to do better – takes over an hour, doesn't work for workers; and
- They are asking Durham Region Transit to enhance delivery to the Region to ensure no person is disadvantaged.

J. Gray advised that they are feeling optimistic due to the 2022 Inflation Reduction Act which has led to an upshift in investments in electric vehicle manufacturing. He added that they are asking for help from Durham Region Transit to get workers to work.

6.4 Mehmet Yazan, re: Durham Water Billing Dispute

Mehmet Yazan, re: Durham Water Billing Dispute, did not appear.

7. Administration

7.1 Correspondence

There were no communications to consider.

7.2 Reports

A) The Regional Municipality of Durham's Accessibility Advisory Committee's 2022 Annual Report and 2023 Workplan (2023-A-4)

Report #2023-A-4 from Elaine Baxter-Trahair, Chief Administrative Officer, was received.

Moved by Regional Chair Henry, Seconded by Councillor McDougall,
(15) That we recommend to Council:

- A) That Report #2023-A-4 of the Chief Administrative Officer be received for information as The Regional Municipality of Durham's Accessibility Advisory Committee's 2022 Annual Report; and
- B) That the Regional Municipality of Durham's Accessibility Advisory Committee's 2023 Workplan be approved.

CARRIED

- B) Appointment of new members to the Durham Accessibility Advisory Committee (AAC) (2023-A-5)
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Report #2023-A-5 from Elaine Baxter-Trahair, Chief Administrative Officer, was received.

Moved by Regional Chair Henry, Seconded by Councillor McDougall,
(16) That we recommend to Council:

That the following people be appointed to the Durham Accessibility Advisory Committee:

Mr. Jim McEwen – Community member; and

Mr. Adam Blum – community member.

CARRIED

8. Finance

8.1 Correspondence

There were no communications to consider.

8.2 Reports

- A) Investment Portfolio Update (2023-F-4)
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Report #2023-F-4 from Nancy Taylor, Commissioner of Finance, was received. Staff responded to questions with respect to how the Region's investment portfolio did last year; when the annual investment report will be presented; the next steps required to move to prudent investor status; and the upside to adjusting the risk tolerance level for investments.

Moved by Regional Chair Henry, Seconded by Councillor Leahy,
(17) That we recommend to Council:

That staff continue to investigate alternatives for transitioning to the prudent investor standard to assess its suitability for the Region's portfolio.

CARRIED

B) Transit Service and Financing Strategy (2023 – 2032) (2023-F-5)

Report #2023-F-5 from Nancy Taylor, Commissioner of Finance, was received. Staff responded to questions with respect to how transit use for shift workers at the Oshawa General Motors plant can be improved through expansion of service hours; why 2025 was chosen as the end-year for the Strategy; if there are any updates on the GO train extension to Bowmanville; ridership considerations for the Courtice hub due to the sale of the General Motors headquarters; and if there are any plans to increase Port Perry's trip density with this strategy.

Moved by Councillor Henry, Seconded by Councillor Woo,
(18) That we recommend to Council:

- A) That the 10-year plan to phase investment in transit service enhancements, electrification, and new facilities and amenities be approved in principle subject to annual investment approvals through the Region's business planning and budget process, and that the 10-year plan be reviewed every four years or earlier as necessary in consideration of new information that may impact plan delivery, financing and timelines;
- B) That given the current level of funding to Durham Region Transit supports a significantly lower service level than that provided by our comparators, and that the 10-year plan requires a long term, not a one year commitment, to achieve the outcomes needed, that annual incremental increases for Durham Region Transit be acknowledged at a starting increase of approximately 2 per cent per year on the overall Regional tax levy with a goal to incorporate new funding opportunities that may arise annually to smooth annual tax levy impacts where possible;
- C) That staff enhance advocacy for sustained, incremental, targeted funding from the Provincial and Federal governments to support the funding gaps identified in this 10-year plan;
- D) That the General Manager of Durham Region Transit and the Commissioner of Finance be authorized to implement a 2023 charter service rate for standard 12 metre transit buses on a cost recovery basis at \$925.00 per hour for a minimum four hour booking, with a rate of \$505.00 for each additional bus and \$130.00 for each additional hour;
- E) That the proposed DRT Fare Structure listed in Attachment 2 of Report #2023-F-5 be approved establishing a base adult fare and associated discount for trip rates for each fare category ensuring the proportional application of any future adjustments to the base fare is maintained; and
- F) That DRT fares be adjusted with a \$0.10 increase to the base fare to take effect on July 1, 2023 as detailed in Attachment 2 of Report #2023-F-5.

CARRIED UNANIMOUSLY ON THE
FOLLOWING RECORDED VOTE:

Yes

No

Councillor Ashe, Chair
Councillor Garrod
Regional Chair Henry
Councillor Leahy
Councillor Lee
Councillor McDougall
Councillor Schummer
Councillor Woo

None

Members Absent: None

Declarations of Interest: None

9. Advisory Committee Resolutions

There were no advisory committee resolutions to be considered.

10. Confidential Matters

There were no confidential matters to be considered.

11. Other Business

There was no other business to be considered.

12. Date of Next Meeting

The next regularly scheduled Finance & Administration Committee meeting will be held on Tuesday, March 21, 2023 at 9:30 AM in Council Chambers, Regional Headquarters Building, 605 Rossland Road East, Whitby.

13. Adjournment

Moved by Councillor Henry, Seconded by Councillor McDougall,
(19) That the meeting be adjourned.

CARRIED

The meeting adjourned at 11:35 AM

Respectfully submitted,

K. Ashe, Chair

L. Fleury, Legislative Officer