

MEETING DATE: February 16, 2001

SUBJECT: 2001 Wheel-Trans Operating Budget

RECOMMENDATION

It is recommended that the Commission approve:

1/ The 2001 Wheel-Trans Operating Budget of \$42.8M provided for in this report and companion documents which includes \$42.0M for service and \$3.0M for bus fleet replacement partially offset by revenues of \$2.2M; and

2/ The Wheel-Trans Service Plan which encompasses the following key factors:

- ▶ trip demand increasing to 1,503,800;
- ▶ unaccommodated rate returns to 2%;
- ▶ 56% of trips carried by buses; 44% of trips handled by contracted taxi service;
- ▶ 85% of trips provided by accessible vehicles comprised of 132 buses and 62 accessible taxis;
- ▶ overall vehicle productivity improvement to 5.1 passengers per hour through major initiatives such as:
 - introduction of a trial Express Bus Service from Scarborough Town Centre to the downtown core;
 - expanded areas covered by Zone Service;
- increased integration with conventional TTC accessible services;
 - efforts directed at reducing trip cancellations.
- ▶ overall service quality improvement as measured by 'on-time' delivery of service to 95% through major initiatives such as:
 - implementation of a 25 bus tracking trial directed at improving 'same day' service delivery;

- introduction of an automated 'call-back' feature to update customers on trip status;
- updates to the computer scheduling system (WTIS);
- ▶ continue to accommodate original requested trip times within ± 30 minutes at 96%;
- ▶ improved specialized transit service co-ordination with Greater Toronto Area;
- ▶ new Overland economical low-floor (ELF) buses available for service increase to 104 improving vehicle reliability and reducing maintenance costs;
- ▶ no increase in workforce; and

3/ Consider this report in concert with the following:

- a. the 2001 TTC Operating Budget; and
- b. 2001-2005 TTC Capital Program which includes \$7.2M for Wheel-Trans of which \$6.3M is allocated to the Orion bus replacement program for the purchase of 30 low-floor ELF buses, and \$0.9M for improved scheduling and service continuity; and

4/ Forward this report to the City of Toronto Council for approval and to the TTC's Advisory Committee on Accessible Transportation for information.

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FUNDING

Funding in the amount of \$42.8M is required to meet the anticipated demand for service (\$42.0M) as well as partially funding the procurement of 30 new ELF buses (\$3.0M) partially offset by revenues of \$2.2M.

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2001 Operating Budget Summary

Major factors contributing to this increase include a higher percentage of trips provided on accessible vehicles (\$0.7M), the full year impact of negotiated wage increases (0.7M), the increase in the Operating Budget contribution (as directed by the City of Toronto Council) for the purchase of the ELF bus fleet (\$0.5M) and the need to reinstate \$0.4M in subsidy cuts made by the City in 2000.

The following provides additional detailed information related to the 2001 Operating Budget:

	2000 Budget	2001 Budget	Change
Statistical Data			
Demand (000s)	1,531.5	1,503.8	(27.7)
Ridership (000s)			
Registrants			
Non-Registrants (Community Bus)	1,492.5	1,473.8	(18.7)
TOTAL	78.0	88.0	10.0
	1,570.5	1,561.8	(8.7)
Unaccommodated Rate	2.6%	2%	(0.6%)
Financial Data (\$000s)			
Revenues			
Expenses	1,946.0	2,169.0	223.0
Net	40,376.8	41,946.9	1,570.1
Orion II Fleet Replacement	38,430.8	39,777.9	1,347.1
City Subsidy Reduction *	2,500.0	3,000.0	500.0
Subsidy Required	(420.0)	-	420.0
	40,510.8	42,777.9	2,267.1

Note: *City reduced the original 2000 funding request of \$40.9M by \$0.4M.

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Impact of Alternative Funding

By way of background, fare and registrant revenues represent less than 5% of the overall Operating Budget expenditures. As such, a fare increase would have limited impact on Wheel-Trans' ability to provide service.

In order to achieve a 2% unaccommodated rate, undertake improved productivity and service quality initiatives, and partially fund the bus replacement program, Wheel-Trans Operations requires \$42.8M.

Funding below the requested level would primarily impact the level of service provided. Given the lead-time required to adjust service levels, the higher unaccommodated rate would be realized starting in April, 2001. For instance, a return to the 2000 original funding request of \$40.9M would result in the unaccommodated rate increasing to 14% (172,000 lost trips). Flatlined at the 2000 level of \$40.5M would increase the unaccommodated rate to 17% (214,000 lost trips).

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BACKGROUND

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2000 – Year in Review

A review of year-end 2000 performance indicated that while passengers carried exceeded 1999 ridership it did not reach the forecasted demand level. This was partially due to new registrants wanting Wheel-Trans service available 'just in case' their regular mode of transportation was not available, and the negative impact of factors such as the health care restructuring shifting health care into the local community, and a reduction in social programs. Overall vehicle productivity increased from 1999, however, was below the level expected, being impacted by a higher than expected cancellation rate, severe protracted winter weather and the impact of substandard contracted taxi service in the first half of the year. Year 2000 highlights included:

- ▶ a growth in registrants of 15.8%
- ▶ growth in demand of 2.2%
- ▶ unaccommodated rate of 3.1%

- ▶ ELF buses available for service increased from 30 to 74
- ▶ new taxi contracts awarded as of July 1, 2000

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DISCUSSION

2001 Operating Budget & Service Plan

Performance Overview

The 2001 Operating Budget and Service Plan builds upon the accomplishments to date (see table below) which include the major initiatives outlined in the Five Year Accessible Transit Services Plan (1998-2002) to accommodate trip demand, improve service quality, and redesign service delivery in order to improve productivity and efficiency. The fundamental approach and initiatives outlined in the Plan remain the foundation upon which the Operating Budget is developed.

Wheel-Trans Performance Overview

1994-2001

	1994	<i>2001</i>	CHANGE	%
Workforce	470	<i>386</i>	(84)	(18)
Direct Cost/Bus Trip	\$31.15	<i>\$28.20</i>	(\$2.95)	(9)
Productivity (pph)	4.75	<i>5.31</i>	.56	12
Unaccommodated Rate	8.0%	<i>2%</i>	75% Improvement	
Cancellation Rate	27.0%	<i>14%</i>	48% Improvement	

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Key Assumptions

Key assumptions used in developing the Operating Budget and Service Plan include continuation of the existing eligibility criteria and application process, trip demand

increases by 3%, and trip lengths and key customer origins and destinations remain relatively constant.

Demand Forecast

The Five Year Accessible Transit Service Plan forecasted an increase in demand of 3% per year. Although Wheel-Trans experienced significantly higher demand growth of 9.3% in 1998, the demand for 1999 grew by only 1.5% (caused by labour strike and severe winter weather) and by 2.2% in 2000.

The 2001 demand growth of 3% is based on a continued strong growth in the registrant base (12.3%), various planned initiatives to improve service quality and reliability, and a return of customer confidence in the contracted taxi services. Also noted is a reinvestment by agencies into social programs, and the completion of the health care restructuring. With all the factors considered, Wheel-Trans demand of 1,503,800 is approximately one year ahead of the original five year forecast, a demand increase of 43,800.

Registrant Base

Over the past few years the composition of the registrant base has remained stable at a ratio of 60% non-ambulatory (wheelchair and scooter) and 40% ambulatory (use of other mobility device). In keeping with the expansion of in-person interview locations, there has been a marginal increase in the rate of growth in ambulatory applicants being approved for service.

Wheel-Trans continues to experience registrant growth in all age categories. A recent profile of customers who make up the registrant base indicates the largest segment (70%) to be seniors over 65 years of age. Of this group, the largest segment are those customers between 75-84 years of age.

Based on an acceptance rate of 80%, 4,000 new applicants will be eligible for Wheel-Trans service. Taking into account registrants lost through attrition, it is anticipated that the registrant base will grow by approximately 2,600 registrants to 23,800 by year end.

Service Requirements

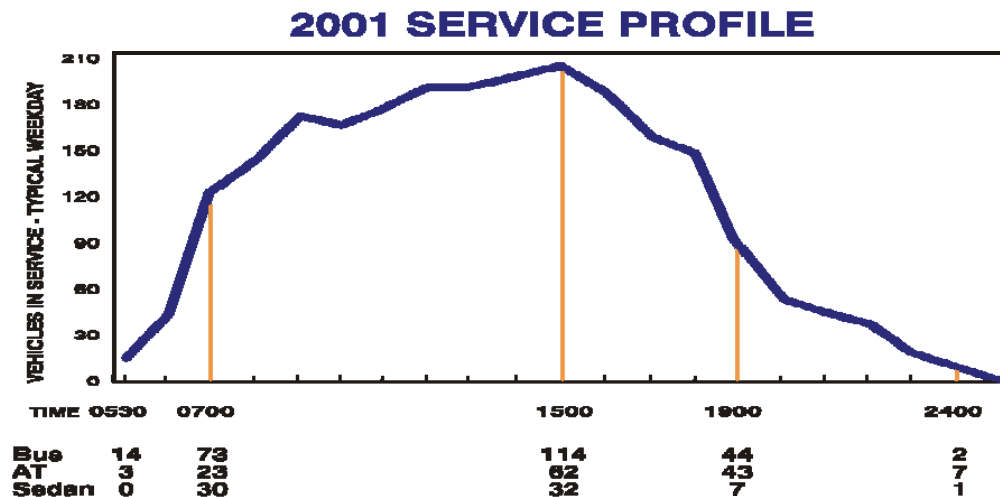
In order to take advantage of the higher capacity, the Wheel-Trans bus fleet is predominately used for peak period demand between 7:00 a.m. and 7:00 p.m. as shown below in the 2001 Service Profile. Wheel-Trans buses available for service will increase

to 132 with new ELF buses increasing from 74 to 104 by mid year. Scheduled bus service will continue to be based upon a minimum productivity standard of 2.0 passengers per hour (pph).

Bus capacity allows for the accommodation of non-ambulatory peak demand, opening up opportunities for ride sharing, the preparation of schedules to common, high volume destinations, as well as an allowance for back-filling ‘same day’ ambulatory trip requests.

Although Wheel-Trans buses have five securement positions and eight seats available, various capacity configurations such as three wheelchairs combined with four ambulatory are based on the constraints related to the increased size of mobility devices and the origin/destination requirement of the customer.

While also providing service during the peak period, contracted service vehicles – accessible and sedan taxis – provide a more efficient service to handle off-peak demand. Accessible taxis available for service will increase from 44 to 62 with an appropriate reduction in sedan taxi service.



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Service Initiatives

Incorporated into the 2001 Service Plan are new initiatives directed at improving overall service productivity, while providing service quality enhancements through the improved ‘on-time’ delivery of service, scheduling updates, and user access to information.

To improve overall ‘productivity’ in 2001 from 4.9 passengers/hour to 5.1 passengers/hour the following major initiatives will be undertaken:

- The introduction of a trial express bus service to and from the Scarborough Town Centre and the downtown Toronto City core in the second quarter of 2001. The current service policy of providing a direct door-to-door ride will be changed by transferring customers in the Scarborough test area at a central depot where they will be accommodated by high capacity buses for an express trip to and from downtown. By reducing the number of independent vehicle downtown trips and accommodating these requests on a limited number of buses, trip availability as well as vehicle productivity will improve. This proposed operation will assist staff in measuring the benefits to be derived both in the local area and the downtown core.

- Zone service will be expanded to cover wider geographical areas incorporating key accessible rapid transit stations and accessible bus routes.

- Accessible Transit Network will be expanded with the addition of three accessible subway stations to 14 in 2001. Forty (40) accessible bus routes are currently in operation with no new routes planned. The Wheel-Trans trip integration program will be expanded to more fully utilize the accessible conventional transit network.

- Efforts will also be directed at expanding transfer locations across the City's northern boundary and at improving cross-boundary service co-ordination with GTA specialized services.

- Undertake a comprehensive customer education campaign outlining the impact cancelled trips have on service in order to reduce the cancellation rate to 14%.

The attached 'Appendix A' illustrates various service initiatives incorporated into the accessible transit network planned for 2001.

To improve service quality, the following initiatives will be undertaken:

- improve 'on-time' service delivery from 93% to 95%.

- continue to accommodate original customer requested trip times \pm 30 minutes at 96%.

- scheduling system improvements to address the impact of traffic congestion particularly in p.m. peak period.

- the implementation of a 25 bus tracking trial which will allow better scheduling and adjustments on the day of service and permit staff to determine the value of expanding this technology for the entire bus fleet.

- increased service monitoring through performance audits and, where appropriate, the contracted taxi service will be assessed with penalties and premiums to promote improved service quality.
- the provision of an automated customer call-back feature to provide updated trip arrival information for trips late by more than twenty (20) minutes.
- additional new ELF buses will result in less customer inconvenience due to service disruption.

To improve customer access to Wheel-Trans information through:

- improved call handling by introducing customer trip booking feature to the automated telephone system;
- conducting up to 40 information sessions with customers and various agencies, institutions, etc.;
- implementing Internet access.

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Revenues

It is anticipated that revenue which is based on demand and registration fees will increase by \$223K. This revenue increase is associated with a combination of increased demand, a higher average fare, and an increase in registration revenues.

It should be noted that the \$25.00 registration fee revenue of \$93.4K helps offset the cost of the application process, thereby minimising the budget impact on dollars available to meet trip demand.

Although no funds are provided in this budget submission, Wheel-Trans staff will also be exploring alternative revenue sources such as vehicle/property advertising to assist in reducing subsidy requirements.

Capital Program

The Capital Budget for 2001 has been prepared in conjunction with the operating requirement to ensure continued improvements to strengthen service delivery, improve

bus productivity and reliability, and ensure customer access to information. The Capital Budget request of \$7.2M is required to facilitate the continued replacement of the Orion bus fleet with the purchase of 30 ELF buses at a cost of \$6.3M. With the increase in ELF buses available for service in 2001, Wheel-Trans will realise a saving of \$0.6M.

In order to improve efficiency and service continuity the Capital Budget also includes \$0.9M to be used for initiatives such as the Wheel-Trans 25 bus tracking trial to improve 'on-time' service delivery, updating of the Wheel-Trans Information System (WTIS) to improve scheduling performance, automated telephone trip booking, and call-back features to improve customer convenience and provide more timely information.

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SUMMARY

The 2001 Wheel-Trans Operating Budget and Service Plan coupled with the Capital requests will accommodate the Wheel-Trans customer demand as well as continue the Orion replacement program. Staff will continue to implement service quality and productivity improvements provided for in order to maximize the trips accommodated within the funds available.

January 25, 2001

18-52-22

Attachment – Appendix 'A'