

Rapid Transit Operating

Services That We Provide

As recommended in the Region's Vision 2026 document, the 2002 Transportation Master Plan, and the York Rapid Transit Plan (YRTP) Business Plan, the Region is well underway in the introduction of a rapid transit system in four major corridors: Yonge Street, Highway 7 and two north-south connections, one to the TTC's Spadina subway line at Downsview station, and one to the Sheppard subway line at Don Mills station. The Yonge Street transitway will connect to the TTC's Yonge subway line at Finch station. With this rapid transit system in place, the four Regional centres of Newmarket, Vaughan, Richmond Hill and Markham will be connected to each other and to the TTC subway system.

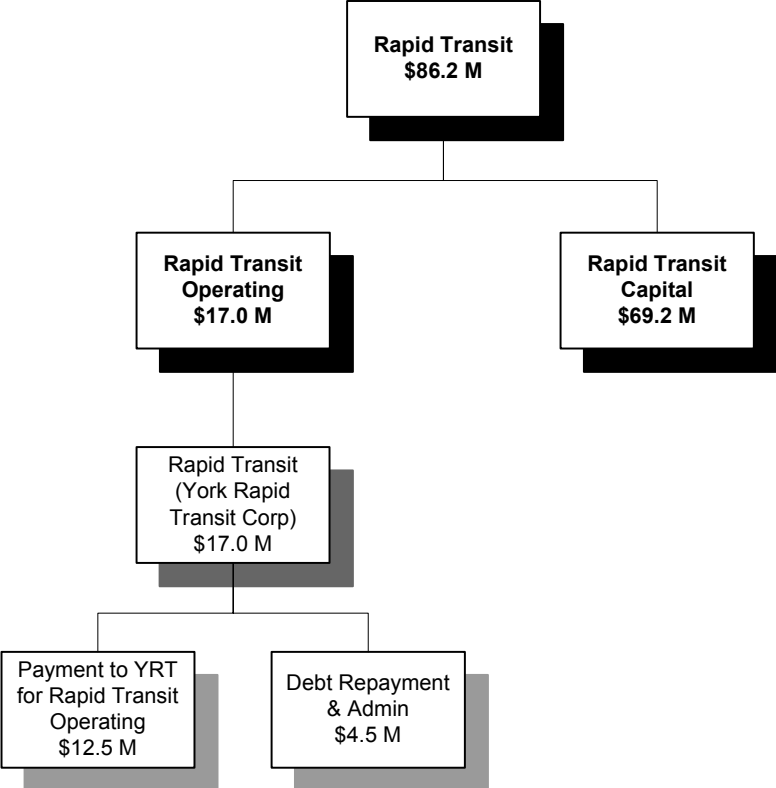
To bring rapid transit to the Region as quickly as possible, Regional Council established a public-private partnership with York Consortium 2002 (YC2002). All necessary studies to gain environmental approvals for the four rapid transit corridors are being conducted by YC2002 on behalf of York Region and approvals from the Ministry of Environment for all four corridors are expected in 2005.

The first phase of the rapid transit program, known as Quick Start, has received funding of \$150M, equally split between the Region, the Province of Ontario and the Government of Canada. Quick Start will begin operation in the fall of 2005 with full commissioning of service in all four corridors by the end of 2005. It will feature a form of bus rapid transit operating in mixed traffic using 12 m and 18 m buses, bus stop spacing of approximately one kilometre, and transit signal priority at main intersections.

Future phases of the rapid transit program include the building of exclusive rights-of-way for buses in all four corridors, with possible conversion to light rail, and the extension of the Yonge and Spadina subway lines. The Region will continue to seek funding for the future phases from the Province and the Federal Government through infrastructure funding programs established by the senior levels of governments.

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Rapid Transit – 2005 Gross Expenditures



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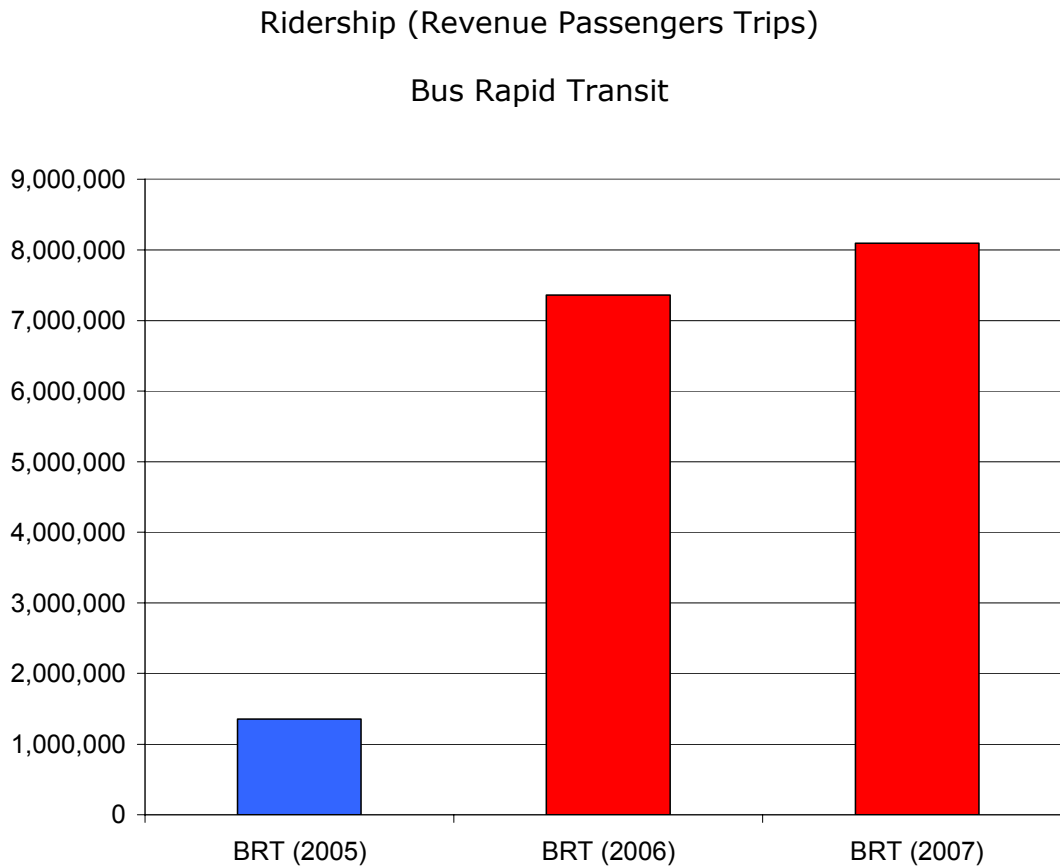
2005 Objectives and Key Work Initiatives – Rapidco

The following are the key work initiatives associated with the operations of rapid transit in 2005:

- completion of construction and commissioning of all wayside improvements including 109 stops and associated structures and equipment (i.e. shelters, ticket vending machines (TVMs), information panels, etc.)
- construction and/or modification of various transit terminals, and commissioning to begin operation
- commissioning of 85 new rapid transit vehicles, including 25 18 - metre articulated and 60 12 - metre buses
- construction and commission of a new transit control centre at the South Service Centre which will be responsible for all ITS functions
- re-organizing and re-sourcing of the YRT branch to manage the operations and maintenance component of the rapid transit program
- selection of an operations and maintenance (O&M) contractor, and negotiation of final contract terms
- development and execution of a performance based contract with the new O&M contractor

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Performance Measures and Benchmark



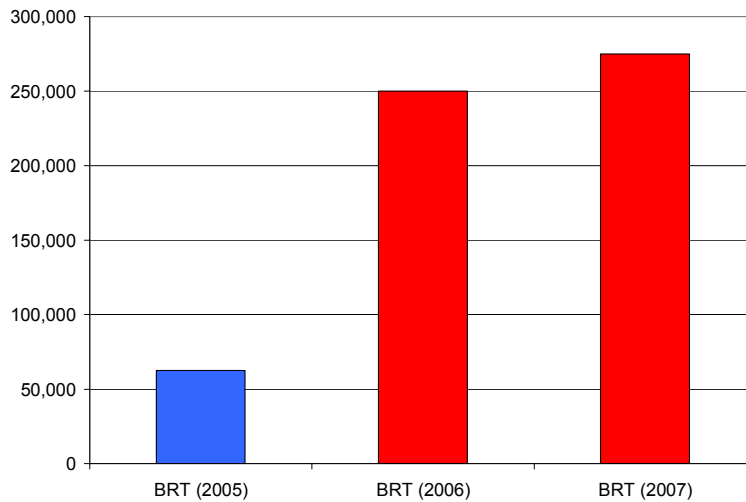
The 2005 ridership figure for the rapid transit program reflects the staged implementation of rapid transit services throughout the last four months of the year.

The first full year of rapid transit operations will see ridership in excess of 7 million passengers.

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Revenue Vehicle Hours

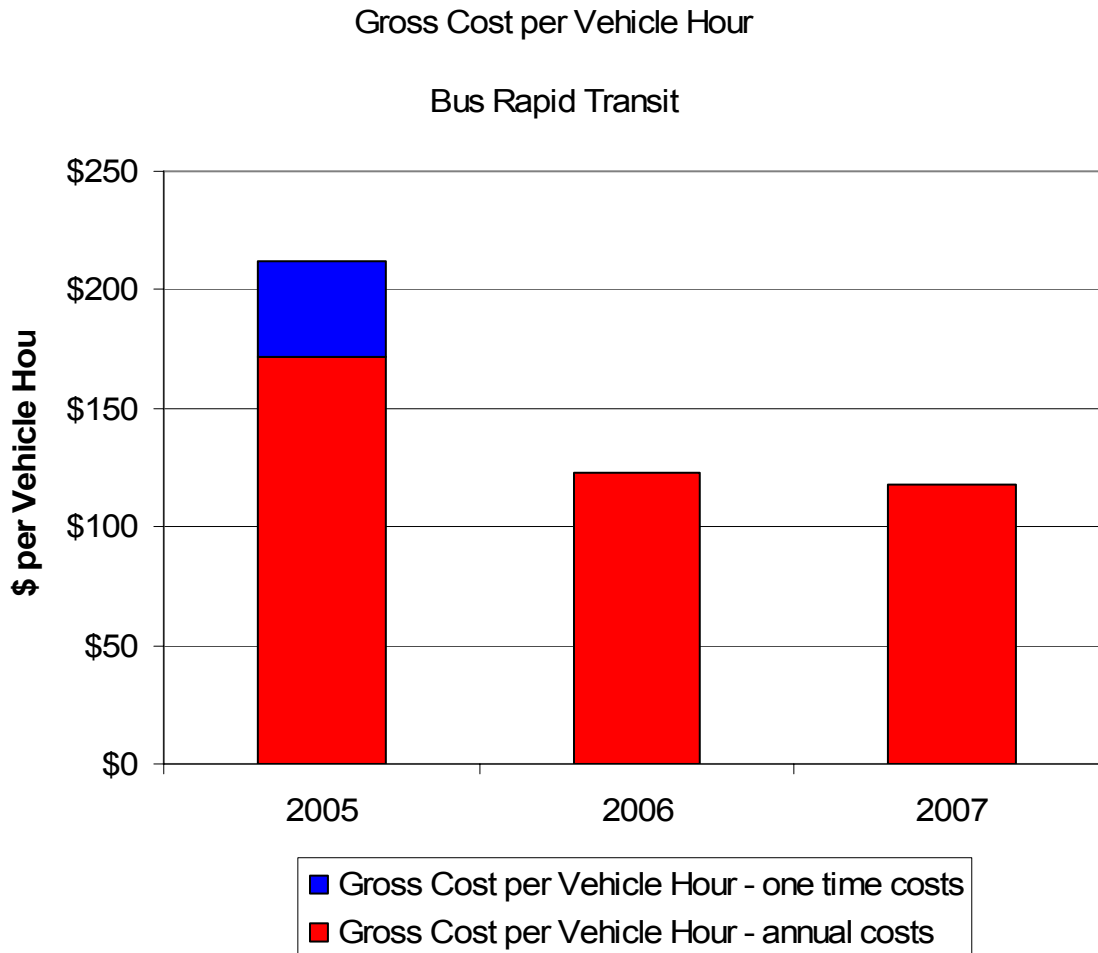
Bus Rapid Transit



The 2005 revenue vehicle hour figure for the rapid transit program reflects the staged implementation of rapid transit services throughout the last four months of the year.

A total of 250,000 revenue vehicle hours are expected to be operated in 2006, the first full year of operation.

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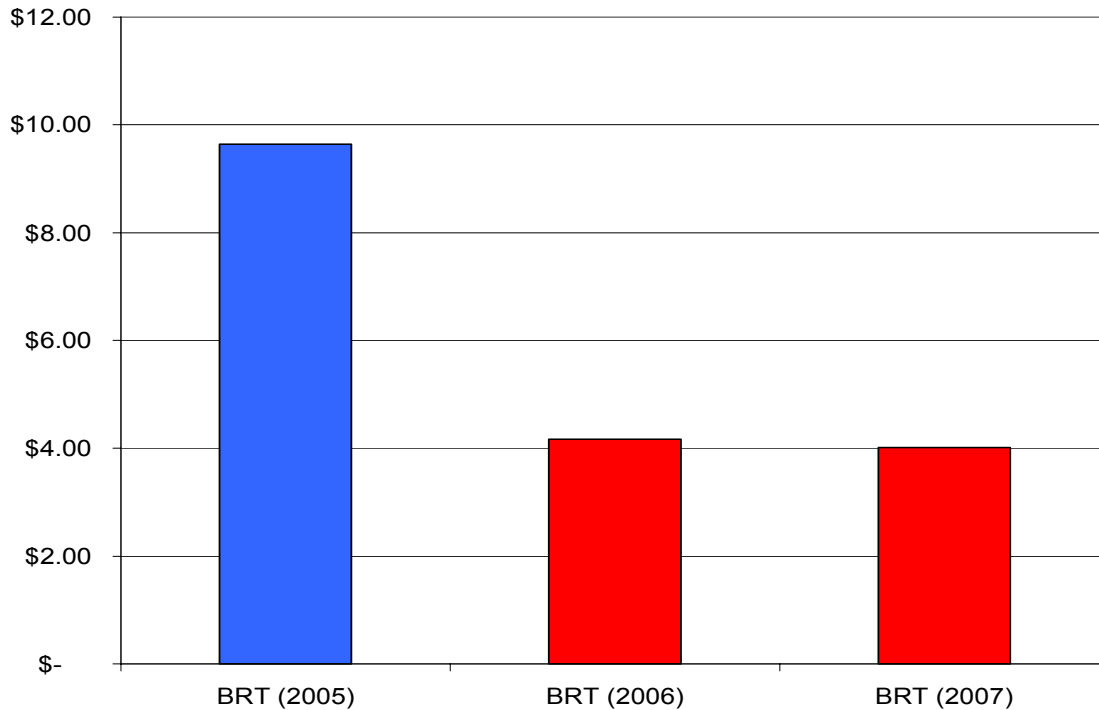
The total cost per revenue vehicle hour in 2005 is abnormally high because of a combination of mobilization costs and indirect (non-transportation) operating costs that will be incurred before rapid transit start-up in September.

Cost per vehicle hour will drop in 2006 to reflect a full year of direct (transportation) costs.

It must be emphasized that these cost estimates could change as a result of the O&M contract proposals due to be submitted in the spring of 2005.

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Gross Cost per Passenger Trip
Bus Rapid Transit

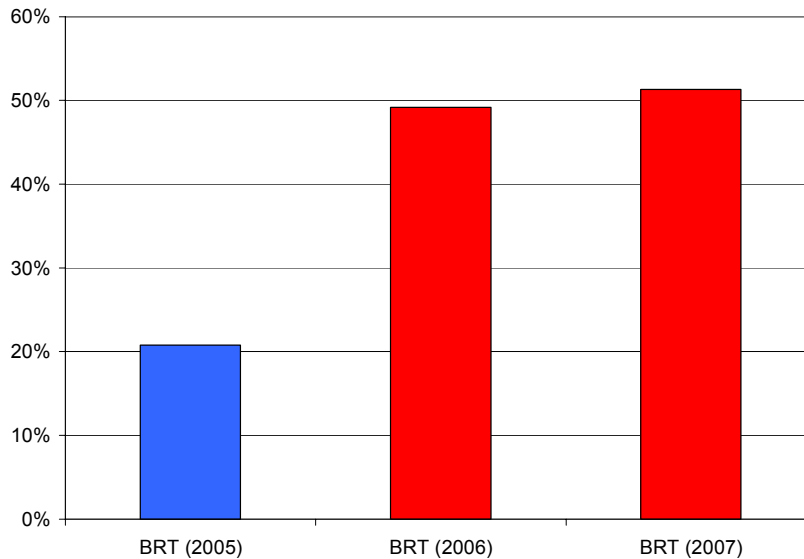


The 2005 cost per passenger trip is abnormally high because of the mobilization and indirect (non-transportation) operating costs that will be incurred before rapid transit start-up in September.

Full year total costs per passenger trip in 2006 are estimated to be approximately \$4.00 per passenger.

Rapid Transit Operating

Revenue Cost Ratio
Bus Rapid Transit



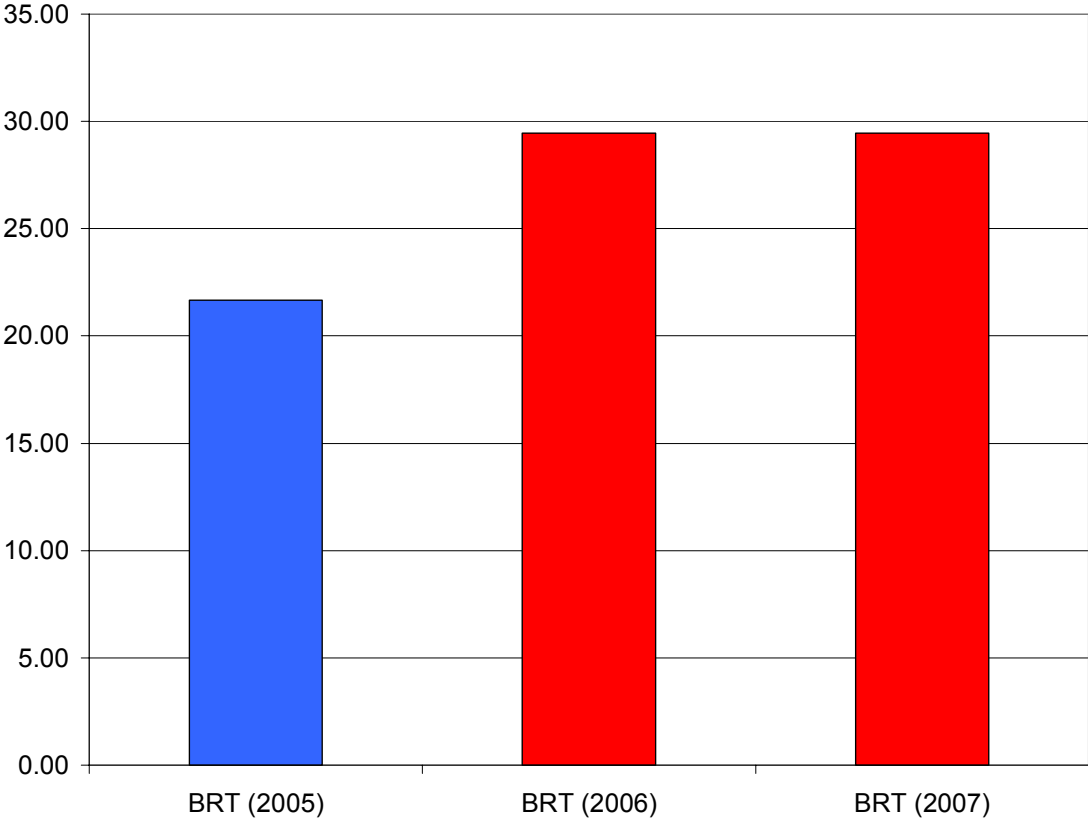
The 2005 revenue/cost ratio for rapid transit is estimated to be only 21% because of the mobilization and indirect (non-transportation) operating costs that will be incurred before rapid transit start-up in September.

In 2006, it is estimated that the rapid transit program will achieve a revenue/cost ratio of approximately 50%.

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Passenger Trips per Revenue Vehicle Hour

Bus Rapid Transit



Passengers per revenue vehicle hour are estimate to be approximately 22 in 2005, increasing to 29 in 2006.

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Outlook for 2006 / 2007

The following are some of the major 2006 / 2007 objectives and initiatives for the rapid transit program:

- refine the performance standards in the rapid transit O&M contract and negotiate bonuses (in addition to the existing penalties), as well as possible areas of risk transfer to the contractor
- market the rapid transit program so as to grow ridership and improve the transit modal share
- confirm O&M maintenance facility requirements with YRT conventional services and begin property acquisition, design and construction
- continuous improvement of rapid transit service quality to position the service as a reliable, fast, comfortable and safe one; the transportation mode of choice

Operating Impact of Capital

A total of 62,500 new rapid transit revenue service hours are proposed to be introduced in 2005, and 250,000 hours in 2006. This will require the acquisition of 85 new transit vehicles. At an average cost of \$ 600 k per vehicle, this will result in total vehicle related capital costs of \$ 51M in 2005.

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Operating Financial Summary

\$000's	2003 Actual	2004 Estimate	2004 Budget	2005 Budget	2006 Outlook	2007 Outlook
Gross Expenditures:						
Staff Related Costs	0	0	0	496	506	516
Program Costs	0	(515)	(515)	(986)	(975)	(964)
Occupancy/R & M Costs	0	0	0	0	0	0
Minor Capital	0	1	1	2	4	2
Contributions to Reserves	0	0	0	0	0	0
Financial Items	0	2,219	2,219	3,783	13,205	20,365
Inter Charges/Recoveries	0	1,155	1,142	13,696	31,277	33,108
Total Expenditures	0	2,861	2,847	16,991	44,017	53,026
Revenues:						
Municipal Revenues	0	0	0	0	0	0
Provincial Funding	0	0	0	0	0	0
Federal Grants	0	0	0	0	0	0
Fees and Charges	0	0	0	(2,712)	(15,075)	(16,675)
Development Charges	0	(389)	(389)	(696)	(2,588)	(3,796)
Contribution from Reserves	0	(28)	(28)	(13)	(13)	(13)
Other	0	0	0	0	0	0
Total Revenues	0	(417)	(417)	(3,421)	(17,677)	(20,484)
Tax Levy Impact	0	2,444	2,430	13,570	26,341	32,542
Interdepartmental Allocations	0	0	0	0	0	0
Business Plan Total	0	2,444	2,430	13,570	26,341	32,542

Inter Charges/Recoveries includes Operating & Maintenance expenditures originally incurred by YRT. The 2005 amount includes \$2.5 M for mobilization costs.

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Financial Explanations

Budget Change Explanations (2005/2004)	Gross		Net Tax Levy	
	(\$000's)	%	(\$000's)	%
2004 Budget excluding Interdepartmental	\$ 2,847		\$ 2,430	
1. Base - Price Pressure				
RapidCo Salaries & Benefits	20	0.7%	20	0.8%
Wage Increase Adjustment	10	0.4%	10	
RapidCo Office Materials	33	1.2%	33	1.4%
	63	2.2%	63	2.6%
Efficiencies/Program Reductions				
RapidCo IT Computer Lease Reductions	(21)	(0.8%)	(6)	(0.3%)
	(21)	(0.8%)	(6)	(0.3%)
Mandatory/Legislated				
	0	0.0%	0	0.0%
Annualization				
RapidCo Debt Repayment	1,564	54.9%	1,258	51.8%
RapidCo Payment to YRT for Gross Rapid Transit operating costs				
Salaries & Benefits	1,568	55.1%	1,568	64.5%
Contractor O & M costs	5,000	175.6%	5,000	205.8%
One - time Mobilization costs	2,500	87.8%	2,500	102.9%
Computer Software Licensing	348	12.2%	348	14.3%
Operating Equipment (Fare Enforcement)	170	6.0%	170	7.0%
Terminal Leases & Maintenance	430	15.1%	430	17.7%
TVM, TTVM maintenance & coin processing	324	11.4%	324	13.3%
Insurance	616	21.6%	616	25.4%
Other cost items	943	33.1%	943	38.8%
Allocated overhead from Transit Administration	638	22.4%	638	26.3%
Rapid Transit Ticket & Pass Revenues		0.0%	(2,712)	(111.6%)
	14,102	495.3%	11,083	456.1%
Total Price Pressure, Efficiency, Mandatory & Annualization	14,144	496.8%	11,140	458.5%
2. Growth		0.0%		0.0%
		0.0%		0.0%
Total Growth	0	0.0%	0	0.0%
3. Enhancements				
Total Enhancements	0	0.0%	0	0.0%
Total Base, Growth and Enhancements	14,144	496.8%	11,140	458.5%
4. 2005 Total Business Plan excluding Interdepartmental Allocations	16,991		13,570	
Interdepartmental Allocations	0		0	
5. 2005 Total Business Plan	\$ 16,991	496.8%	\$ 13,570	458.5%