

ETS Branch Highlights Report

Date: March 26, 2018

1. RIDERSHIP

Bus and LRT Ridership - January 2018

The January & February ridership reports are prepared in March, and usually released at the same time. They will be posted in the April Branch Highlights Report.

2. ETS UPDATES

Year End Financial Reporting

Overall in 2017, ETS expenses were down (under budget by \$700,000); expenditures were managed to help offset some of the pressures from revenue decline. Transit revenue was \$5 million below budget in 2017 (\$133 million actual from \$138 million budgeted). This shortfall was primarily due to a lower than expected use of cash fares and overall lower than planned sales of transit fare product.

| | YTD December 2017 | | | | | |
|---------------------|-------------------|----------------|----------------|-------------|----------------|---------------|
| | Budget | Actual | Var \$ | Var % | PY Actual | YoY Change |
| Expense | 357,877 | 357,167 | 710 | 0% | 345,465 | 11,702 |
| Revenue | 138,288 | 133,290 | (4,998) | (4%) | 133,014 | 276 |
| Net Position | 219,589 | 223,877 | (4,288) | (2%) | 212,451 | 11,426 |

Smart Fare Update

The Regional Smart Fare System is presently in the preliminary design stage, which is scheduled to continue until June 2018. This stage of the project involves the design of all backend systems needed to support the new electronic fare payment system, including accounting and financial reconciliation, fare calculation methodology, fare equipment features and user interfaces including website design. Ensuring that all requirements specified in the contract documents have been satisfied is critical to this phase of the project. Work on creative for the branding for this system is also underway. In late spring 2018, the regional partners in this project will bring information to their respective Councils seeking endorsement to proceed with inclusion of the new fare approaches in the design of the Regional Smart Fare System. The new approaches include fare capping, distance-based, and Pay-As-You-Go. The final design stage is expected to be completed in September 2018.

Ride Transit Program Evaluation

ETS is working with City Operations and an external consultant to conduct a formal program evaluation of the pilot implementation of the Ride Transit Program. The evaluation will assess whether the program's intended outcomes were achieved and will assess the implementation process used in the pilot. The evaluation data collection phase will include consultation with key stakeholders and users of

the program. We are expecting consultations to take place in the spring, and the results of the evaluation are expected to be available by September to help inform the budget process. Current funding arrangements for the program are that the program is cost-shared between the City and the Provincial government, with funding available until the end of December 2018.

Airport Service Update

ETS continues to work closely with the EIA, County of Leduc and City of Leduc on a regional solution to airport transit service. Recent discussions with the Airport Accord Oversight Committee (consisting of Mayors and CAOs of the three municipalities and senior leadership from the Airport), led to a decision on an interim measure for 2018, and direction to continue work on an integrated service model for 2019 and beyond. The interim measure includes a minor routing change to the 747 route to include two stops at the new airport developments, and a reduction of the fare for the 747 from \$10 to \$5. An update to Community and Public Services Committee is scheduled for April 18.

Bus Network Redesign Engagement

The first phase of engagement for the bus network redesign will run from April to June 2018. This will include extensive internal and external consultation to seek feedback to refine the draft network plan. For internal staff, the engagement includes focus groups and booths at the transit garages, as well as an online survey. External engagement will include 24 drop-in public workshops across the City, key stakeholder workshops and an online survey utilizing the awarded contractor's planning platform. An update on the project will be provided to the Community and Public Services Committee of Council on April 4th, 2018.

Business Planning Process Update

ETS is participating in City Operations department business planning processes, related to developing the City's four-year strategic business plan in conjunction with the other City Operations' departments: Parks and Roads, Fleet and Facility Services, and Waste. City Operations' four-year plan will be incorporated into the overall City business plan for 2019-2022. The business plan will be presented to Council in November or December 2018. ETS' plan will focus on the implementation of the Transit Strategy.

Customer Service Response Standards

In February, ETS hired Shawn Wall as Manager of Customer Engagement to manage the customer program administration and tier II customer support team, and the customer research and analytics team, and to liaise with the City's marketing team in the Communications and Engagement department. Shawn will be working closely with the newly hired supervisor for the customer program administration and tier II support team to review customer service response standards and ensure ETS is aligned with City standards and transit industry norms and standards.

Transit Operations Review

Transit Operations has undertaken an operational review of the delivery of conventional bus service in the City of Edmonton. The review includes employee shift structures, operational policies and processes, technological implementations and transit service management principles. The initial review started in quarter one of 2018. As Transit Operations now includes conventional bus, LRT and paratransit the review will continue into these areas in through quarter four and into next year.

Cannabis Legalization - Workplace Impacts

ETS management has identified the workplace risks associated with the legalization of cannabis for the City Operations leadership team. It is anticipated that legalization will take place in Q3 of 2018, therefore, ETS is working with its City partners to plan for workplace impacts. Related activities include

researching options related to pre-employment drug testing, policy options that go beyond reasonable suspicion approaches, and training for our supervisors and managers. Especially in regards to the staff in safety sensitive positions, ETS is working closely with the City's Occupational Health and Safety, Human Resources and Law Advisors.

Change Management and the City

Sixteen leaders at ETS recently completed change management certification training with ProSci, learning about how to apply the ADKAR principles of change management in the workplace. There are many large projects underway that ETS is either leading or is involved with, such as Smart Fare, Bus Network Redesign, Electric Bus, etc., which will require guidance for stakeholders, customers, and employees through many changes.

Fare Policy Review

Pillar 2 in the Transit Strategy promotes establishing a balanced approach to operating funding and fare policy. Using direction from public input into the Transit Strategy, ETS is working to develop a market research plan to engage the public in a review of the fare policy, strategy and structure. Two phases of public engagement are being developed, with the goal of confirming fare policy principles as defined through the public consultation process and gathering input for fare structure levels. The project output is a revised Fare Policy which is due to be presented to Council the fall, in alignment with the 2019-22 Operating Budget submission.

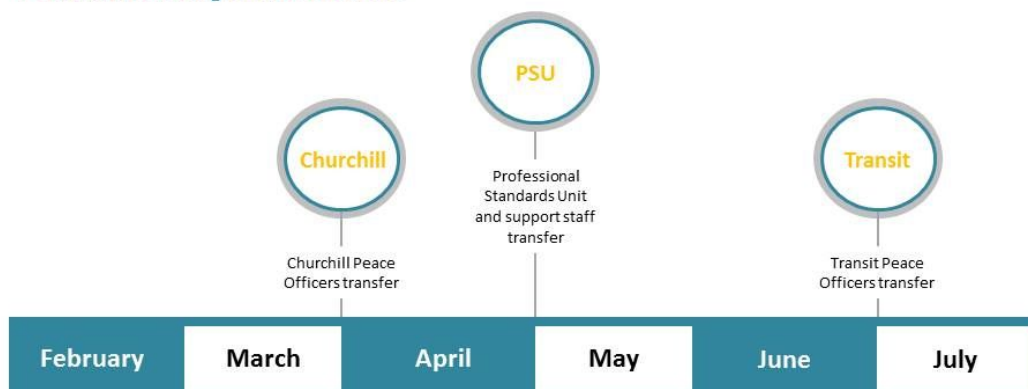
Electric Bus Update

Facility upgrades will begin this year at Centennial garage in order to get ready for the delivery of the electric bus charging systems. The first six electric buses will undergo rigorous testing at the Centennial garage test centre to ensure they meet Edmonton's strict performance needs. Electric buses will primarily be based out of the Kathleen Andrews Transit Garage in 2020. These buses can operate the same service hours as diesel buses so they will be used in regular rotation.

Transit Peace Officer Transition

On Friday, February 23, 2018 all Peace Officers received notification that they will report into one City branch, Community Standards and Neighbourhoods in Citizen Services. The Professional Standards Unit as well as some staff members who support Peace Officers are included in that change. The plan is for the transfer to be done by July 2018, and it will happen in three phases:

1. Churchill Peace Officers will transfer by April 2018
2. The Professional Standards Unit and other support staff follow in May 2018
3. Transit Peace Officers will transfer by July 2018



Transit Operator Continuous Training Needs Assessment

ETS is in the process of conducting a learning needs assessment to help inform the design of a continuous training program for Operators. The needs assessment process includes consultation with ATU 569, employees and supervisors. A survey has been conducted and focus groups are taking place to collect feedback. Typical training program content includes how to handle difficult and dangerous situations, advanced customer service, defensive driving, etc. The desired outcome of the design and development phase is to build a program that will offer regular training to experienced Operators in areas of core competency, to align with the transit industry and CUTA best practices.

3. ETS REPORT TRACKING - 2018

| SIRE | Report Title | Council Meeting Date |
|---------------|--|----------------------|
| CPSC: CR_5473 | Bus Network Redesign Update | April 4 |
| Exec: CR_5720 | Sole Source - ETS Fare Collection Support and Maintenance Agreement with Cubic | April 5 |
| UPC: CR_5353 | First/Last KM Transit Challenge | April 17 |
| CPSC: CR_5389 | Integrated Option with Airport Accord | April 18 |
| UPC:CR_5173 | Improving Tourists' Experience on Edmonton Transit System | May 1 |
| CPSC: CR_5712 | Transit Smart Fare System One Card Service Update | May 23 |
| CPSC: CR_5709 | Transit Driver Safety/Retractable Shields | May 23 |
| EC: CR_5726 | Kathleen Andrews Garage - Solutions for Daycare | June 7 |
| UPC: CR_5435 | Emerging Mass Transportation Technology | June 19 |
| CPSC: CR_5773 | Transit Smart Fare System - Fare Approaches | June 20 |
| UPC: CR_5353 | First/Last KM Transit Challenge | Nov 13 |
| CR_2856 | Enhanced Express Bus Strategy - Century Park and Heritage Valley Park and Ride | TBD |
| CR_TBD | DATS Service Delivery | TBD |