MEMORANDUM

TO: Regional Councillor J. Jones, Chair, and Members of Transit Committee

FROM: Kees Schipper, Commissioner of Transportation and Works

DATE: February 5, 2004

RE: **YRT Service Rationalization Backgrounder**

The purpose of this memo is to provide background information for discussion at the February 12, 2004 Transit Committee meeting.

A service rationalization exercise has been carried out as part of YRT's ongoing review of route operations. The analysis has resulted in suggested service changes which will result in a cost reduction of approximately 1% of net base budget or $500,000 including an associated revenue reduction of approximately $70,000. These changes are reflected in the proposed 2004 budget.

A. Selection Criteria

YRT staff considered the proposed service reductions in the context of five impact criteria. Minimal impact to the customer was deemed the most important consideration, however the following five criteria were all considered during the review:

1. Customer Impact (Per trip, per customer, inconvenience/longer trip travel or waits, travel options if trip/service is removed)
2. Consistent Service Levels across Region – 'Similar routes get similar service' (start/finish times, peak period window, frequency/headways)
3. Future Plans (part of planned restructuring? Rapid Transit connection?)
4. Community/Political Sensitivity
5. Comparison to Minimum Standards (Service level/frequency & demand ridership/hour)

B. Categories of Adjustments

The service reductions are categorized by service periods, all of which are generally considered periods of low demand. All of the trips identified within these categories were operating well below minimum standard and the number of customers inconvenienced by the change was considered to be relatively low.

Service Adjustment	Routes Affected
Cancel Early/Late AM Peak trip(s)	40, Centennial GO, Langstaff GO, 80, 7, 12
Cancel Late PM Peak Trips(s)	40, 82
Cancel Late Evening Trips (Last)	40, 31, 32, 33, 44, 50, 51, 52, 55, 56, 57, 66, 85A, 86 A/B, 90, 3, 7, 11, 13, 12
Increase Headways (Midday, Saturday, Sunday)	40, TTC 102D, 55, 56, 83, 85, 4/4A
Delete Midday/Off-Peak Service	224B, 27
Reduce Route Length / Adjust Configuration	2A (after 7 pm), Langstaff GO
Cancel Route	6

C. Impact (Gross Cost Savings) By Division

For budgeting purposes, the service reductions are identified below by service contractor. Also, an estimate of the total number of passenger affected was needed in order to estimate the associated revenue loss.

Division	Net Cost Savings	Total Reduction in Rev Hrs ’04	Total Passengers Affected
Division 1 (Miller – Markham)	$ 158,000	3303	319
Division 2 (Laidlaw – Aurora, Newmarket, E. Gwillimbury, Keswick)	$ 144,000	3617	705
Division 3 (Miller – Richmond Hill)	$ 97,000	1999	188
Division 4 (Canar – Vaughan/Richmond Hill/Markham)	$ 101,000	2577	708
Total	**$ 500,000***	**11496**	**1920**

* Assumes May 9/04 implementation date

D. Cost Savings Due to Service Deferral

In addition to the potential cost savings as a result of base budget service reductions, further budget savings will be realized due to deferral of service improvements. A number of proposed improvements have been deferred pending final budget approval. These service improvements fall into the Priorities 1, 2 & 3 category noted in the 2004 Business Plan/Budget. Actual start dates for some route extensions will be later then originally budgeted (Eg. Route 2 east of Hwy 48, Route 18 east of Hwy 48, Route 9 to Stouffville). Result - $120,000 cost savings in 2004. As noted earlier, these base budget reductions are included in the proposed 2004 budget and are scheduled for implementation in May. This summary has been provided for Committee's information and consideration during the 2004 budget review process. The attachments provide further details regarding each individual proposed service reduction.

Attachments (4)

Copy to: Bill Fisch, Regional Chair and Chief Executive Officer
Michael Garrett, Chief Administrative Officer
Don Gordon, General Manager, York Region Transit

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