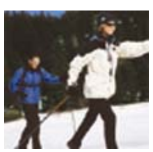



2009 Operating Budget Transportation - Roads

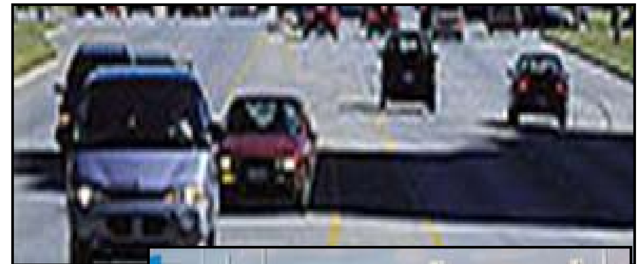
Transportation and Works Committee

Kathleen Llewellyn-Thomas

January 7, 2009

Roads Objectives

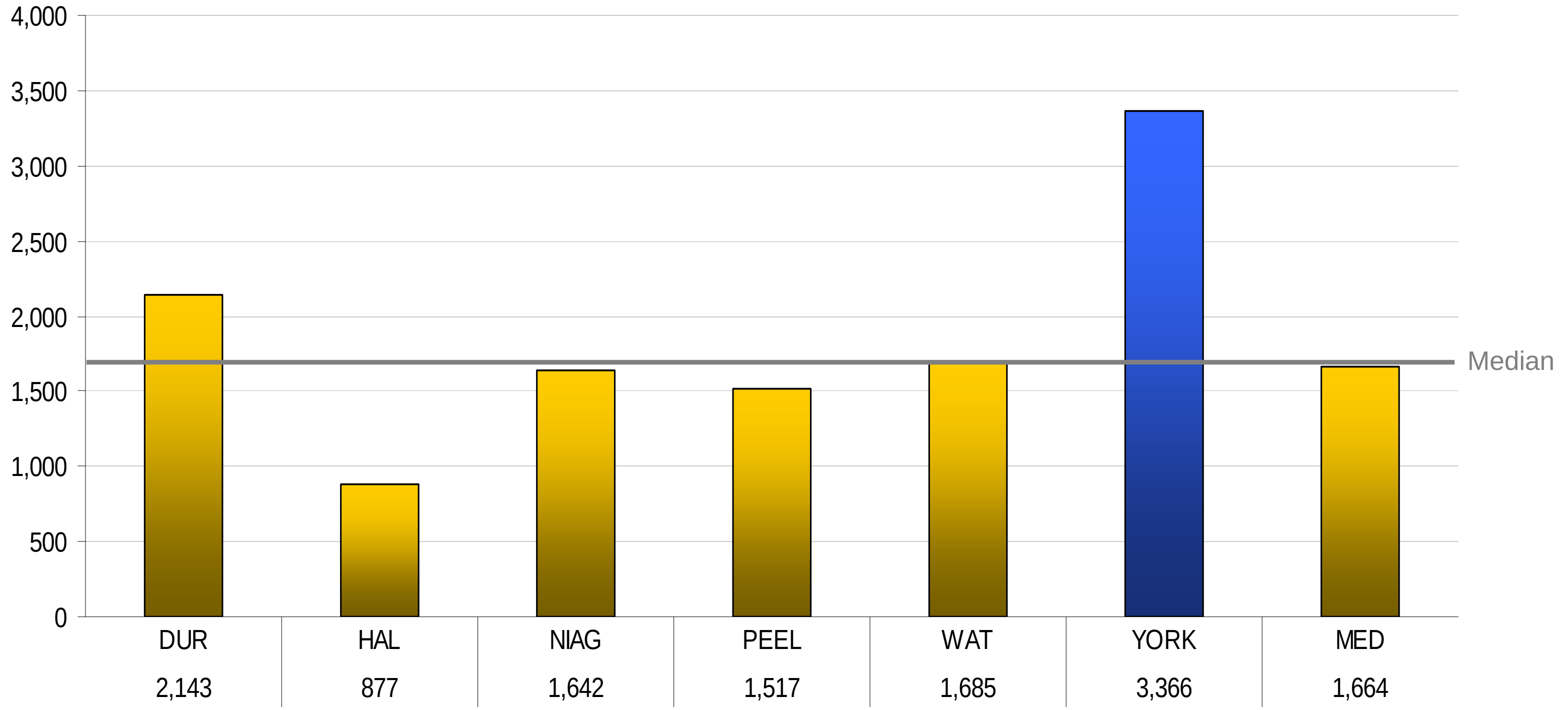
- Provide a safe and effective arterial road network for personal travel and movement of goods & services.
- Maintain arterial road network in a state of good repair
  - 3,366 lane-kms of roadway
  - 709 traffic control signals
  - 137 bridge structures



Roads Objectives Con't

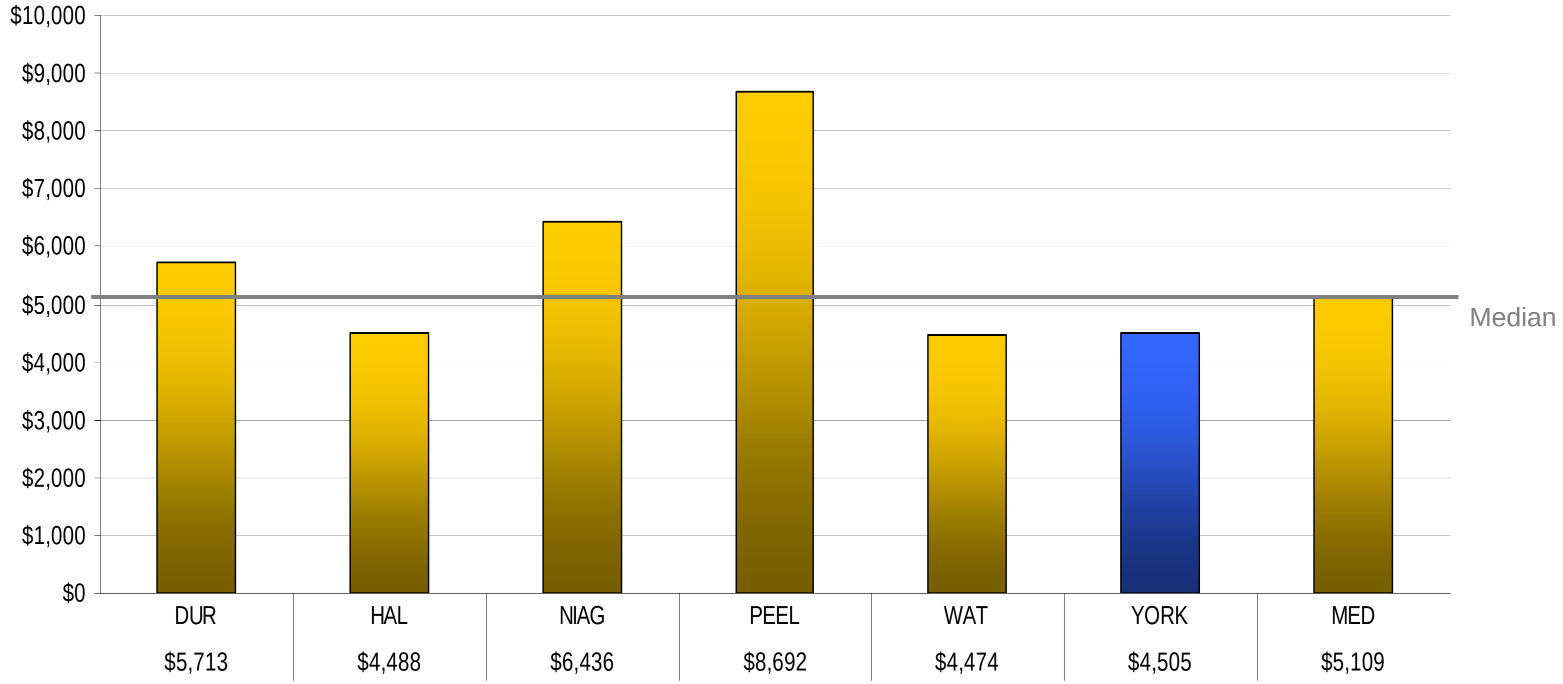
- Optimize existing and future network
  - Implement Intelligent Transportation System (ITS) Strategy
  - Balance all modes Pedestrian/Cycling/Transit/ Automobile/Truck
  - Improve intersections
- Maximize opportunities for protection of natural environment through forestry priorities and sustainable road construction and maintenance practices.

Number of Lane KM



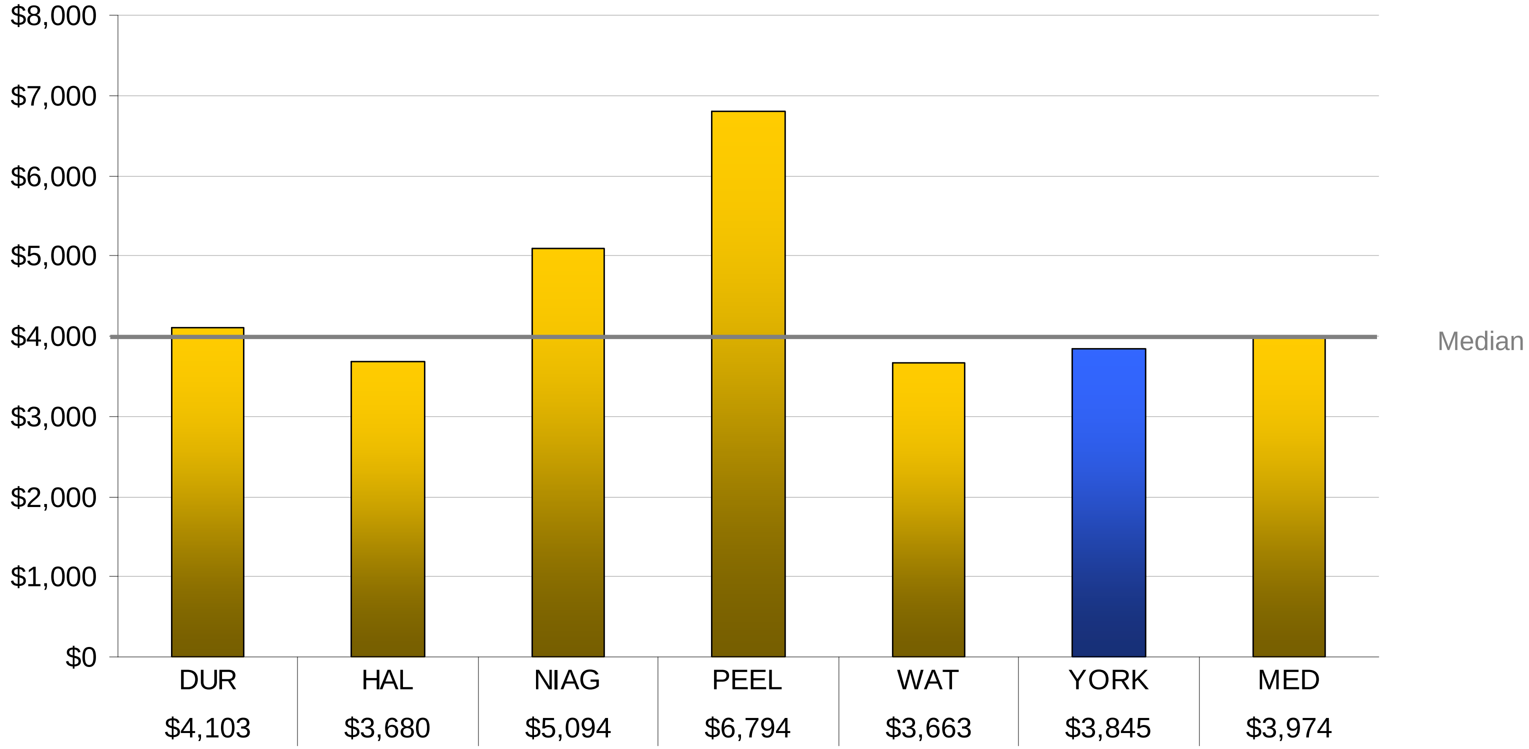
Source: OMBI Measure ROAD206 for 2007 (Numerator Only)

Road (Paved, Unpaved & Winter) Cost / Lane KM



Source: OMBI Measure ROAD305 for 2007

Operating Costs for Winter Maintenance of Roadways / Lane KM (MPMP)



Source: OMBI Measure ROAD903 for 2007

2009 Operations Highlights

- Continue to maintain the growing Regional road network in good condition while minimizing costs.
- Meet increasingly diverse challenges to our network by:
  - Increasing service for on-street bicycle users
  - Enhancing winter maintenance on Regional rapid transit corridors
- Develop quantifiable road maintenance efficiency measures.

Key Challenges

- Prices for salt and winter maintenance contractors have increased dramatically (6% & 12%) adding upward pressure to the Roads 2009 budget.
- Growing number of Regional road lane-kms has increased demands on internal staffing and maintenance vehicles to maintain existing service levels.
- Urbanization of the Region's roads has led to higher road maintenance costs per lane-km due to higher traffic volumes,

  enhanced service expectations.

Key Challenges

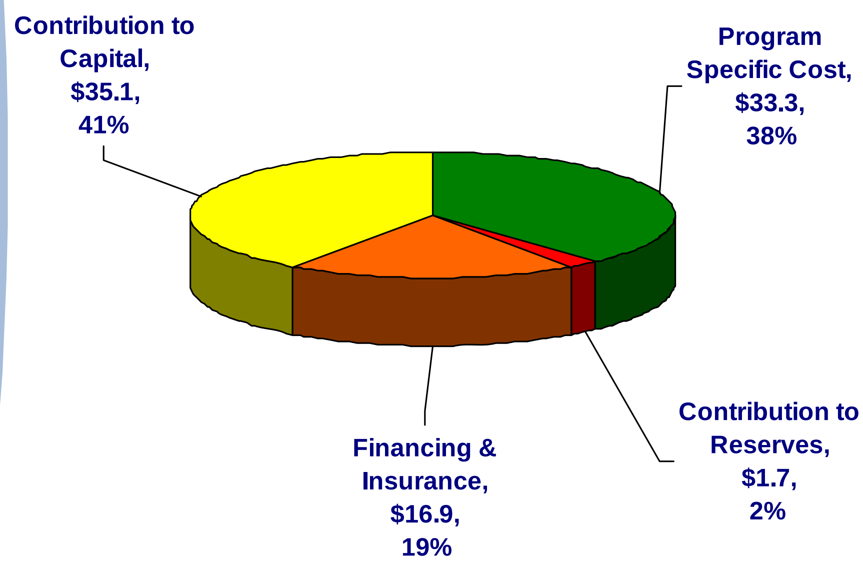
- Population growth has increased the volume of recreational use of the York Regional Forest adding pressure to increase service levels without increasing costs.
- Growing number of street trees and landscaped Regional rights-of-way has put pressure on boulevard maintenance costs.

2008/09 Budget Overview - Roads Operating

2008

GROSS EXPENDITURES

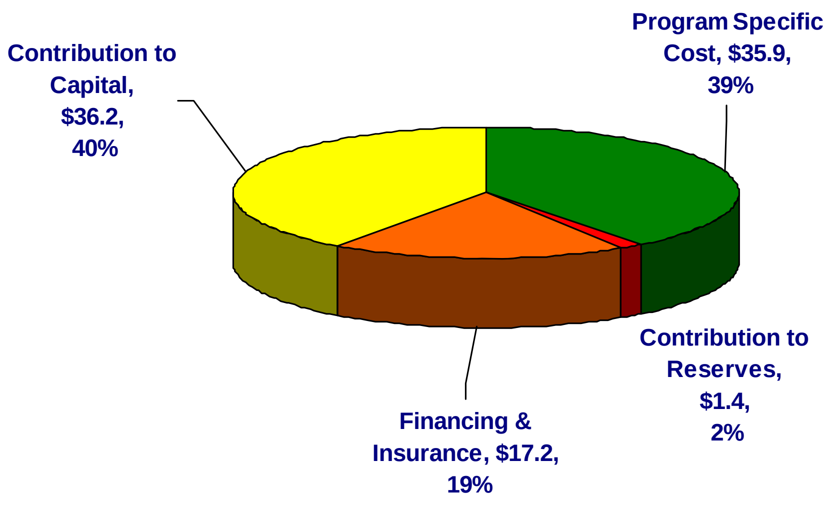
$87.0 Million



2009

GROSS EXPENDITURES

$90.7 Million



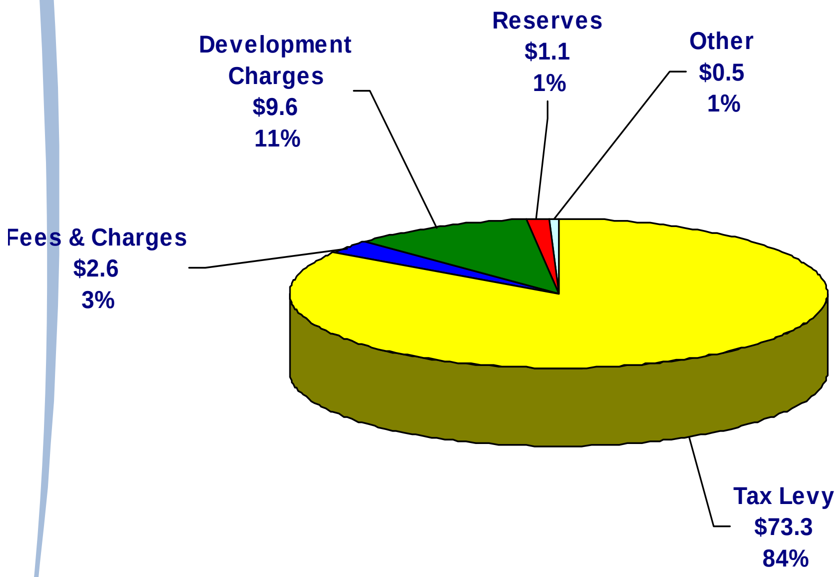
Note: Financing costs include Debt repayment and insurance

2008/09 Budget Overview – Roads Operating

2008

GROSS REVENUES

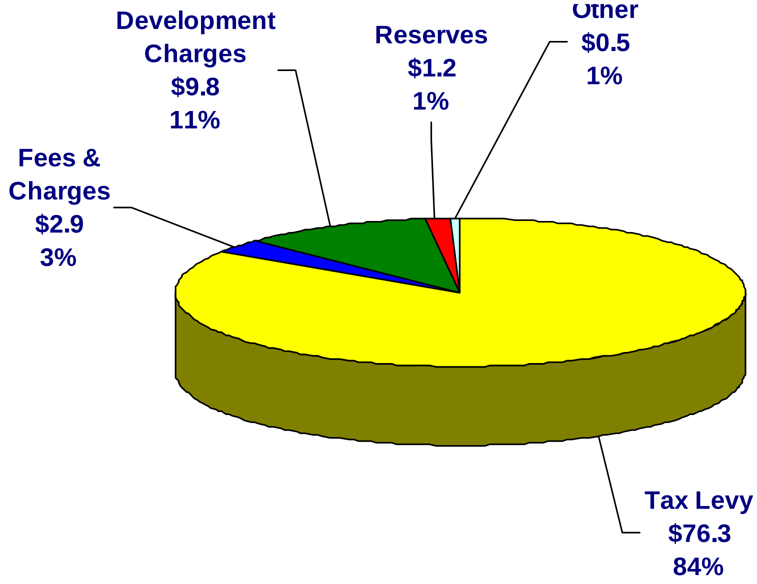
$87.0 Million



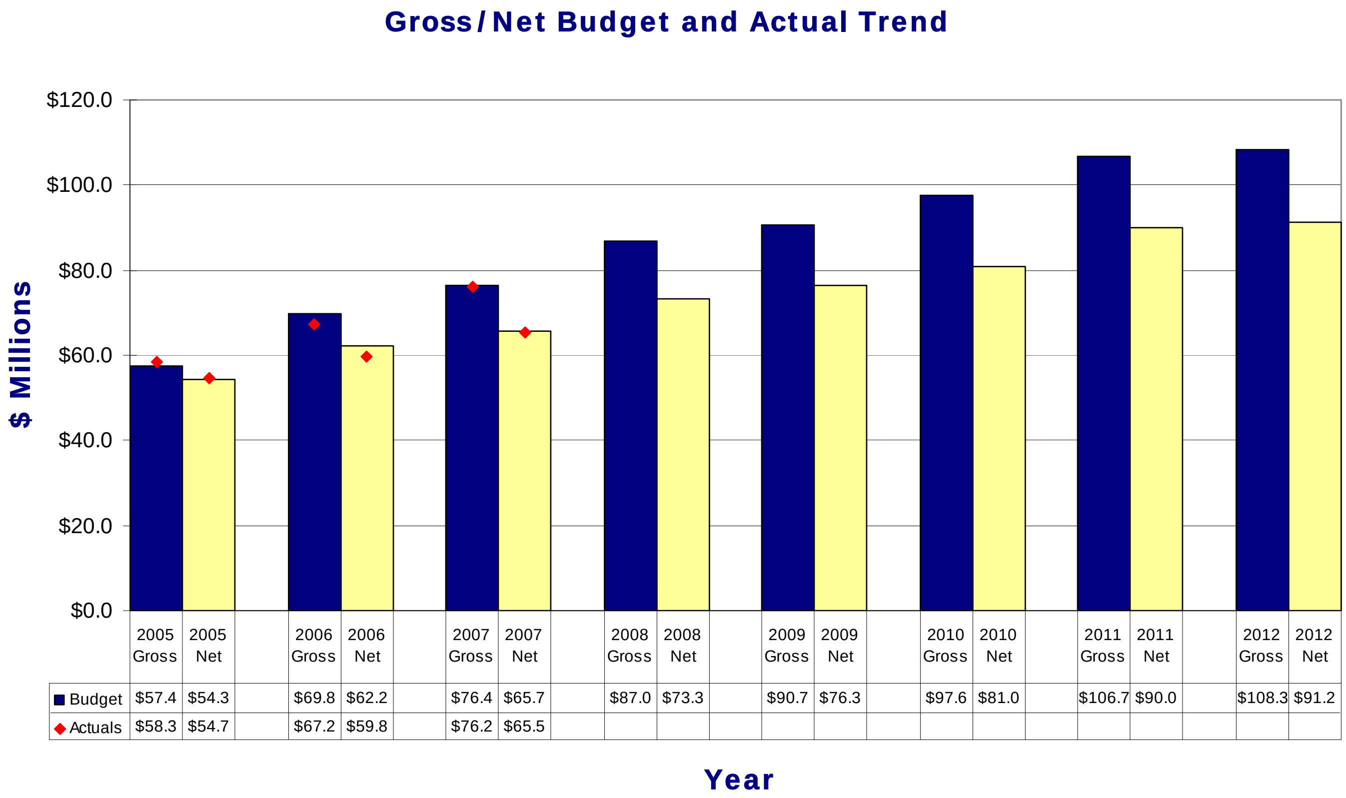
2009

GROSS REVENUES

$90.7 Million



Roads Operating Budget Trend



	2005 Gross	2005 Net	2006 Gross	2006 Net	2007 Gross	2007 Net	2008 Gross	2008 Net	2009 Gross	2009 Net	2010 Gross	2010 Net	2011 Gross	2011 Net	2012 Gross	2012 Net
Budget	$57.4	$54.3	$69.8	$62.2	$76.4	$65.7	$87.0	$73.3	$90.7	$76.3	$97.6	$81.0	$106.7	$90.0	$108.3	$91.2
Actuals	$58.3	$54.7	$67.2	$59.8	$76.2	$65.5										

2009 Net Operating Pressures

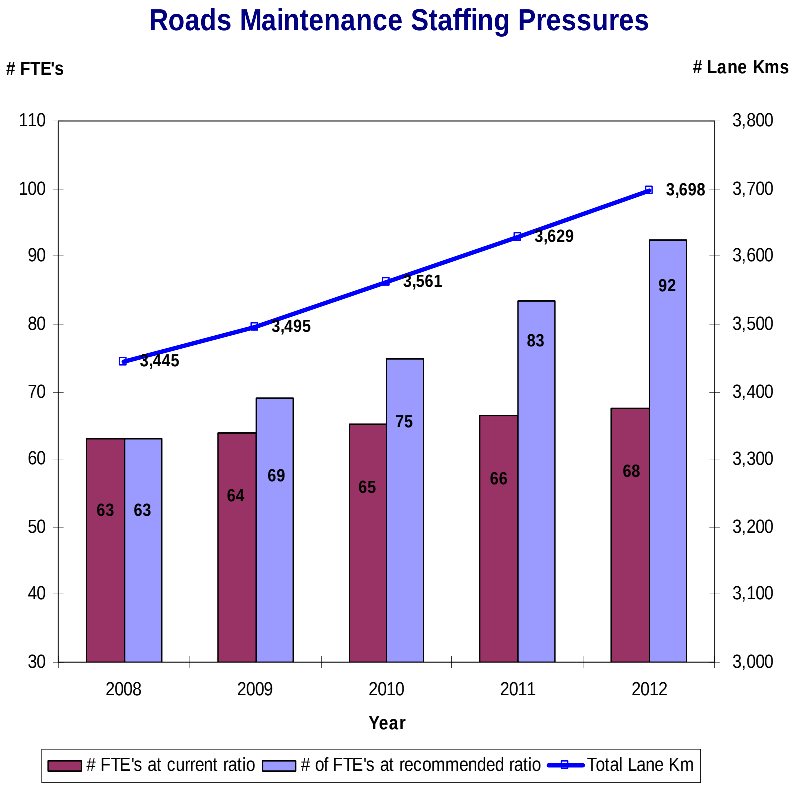
	$ Million	% Tax Inc.
Enhancements	$ 0.3	0.4%
Growth	$ 0.6	0.8%
Annualization	$ 0.1	0.1%
Mandatory/Legislative	$ 0.0	0.0%
Efficiencies	$ (0.7)	(0.9)%
Base	$ 1.6	2.2%
Contribution to Capital Increase	$ 1.1	1.5%
Total	$ 3.0	4.1%

2008 10 Year Capital Budget
Net Operating Impact of New Capital Projects

$000's	2008 Budget	2009 Outlook	2010 Outlook	2011 Outlook	2012 Outlook	2013 - 2017 Outlook	Total
OPERATING COSTS							
Salaries and Benefits	0	269	277	428	441	2,532	**3,947**
Debt Repayment	0	440	5,706	5,706	5,706	28,530	**46,088**
Contract / Other	638	602	961	1,139	1,498	5,726	**10,564**
TOTAL GROSS COST	**638**	**1,311**	**6,944**	**7,273**	**7,645**	**36,788**	**60,599**
Less Revenue	0	0	0	0	0	0	**0**
Less DC on Debt 87.7%	0	(387)	(5,021)	(5,021)	(5,021)	(24,193)	**(39,643)**
TOTAL NET COST (TAX LEVY)	**638**	**924**	**1,923**	**2,252**	**2,624**	**12,595**	**20,956**

2009 Staffing Budget Pressure

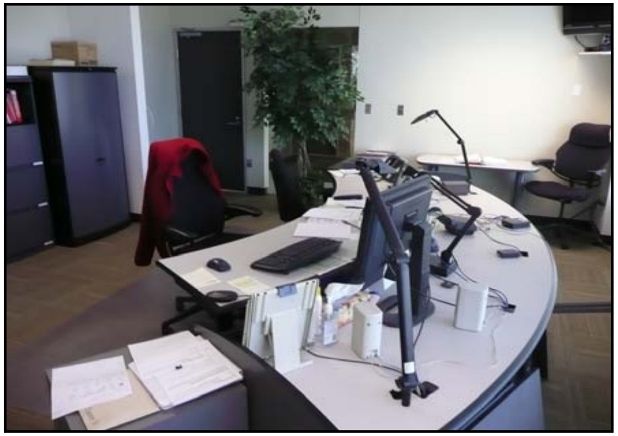
- 6 New Maintenance Workers required to accommodate system growth and to address increased needs for Viva Transit, HOV, cycling and urban roads
- Alternative is to contract out:
  - Subject to price increases (12% & 25% in 2008-09)
  - Violates optimal ratio of 2.5 workers per 100 lane-km



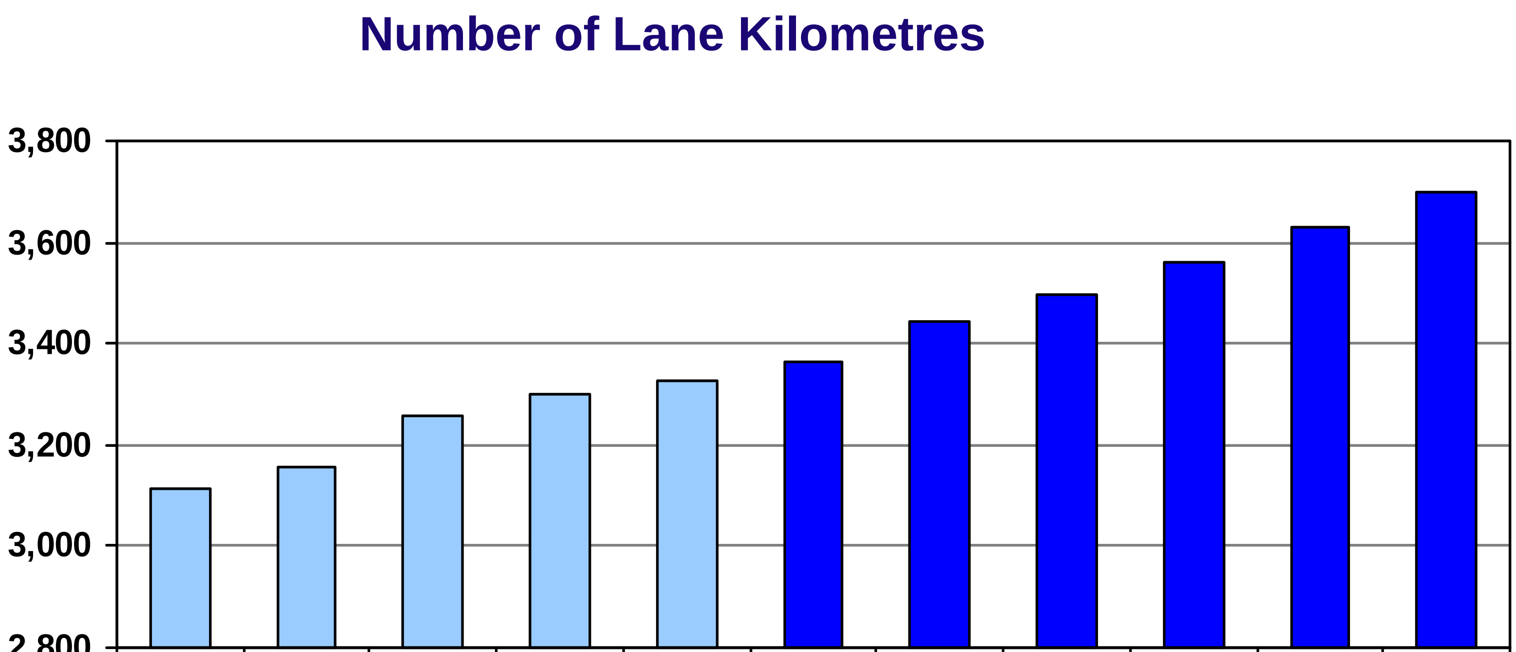
2009 Staffing Budget Pressure

- 2 Property Appraisers and 0.4 Law Clerk needed to eliminate delays to Roads capital construction from property acquisition process (88% funded by DC's)

- 1.4 temp to perm conversion of Dispatch staff to meet Collective Agreement obligation to CUPE (no cost, just an FTE change)



2009 Key Performance Indicators

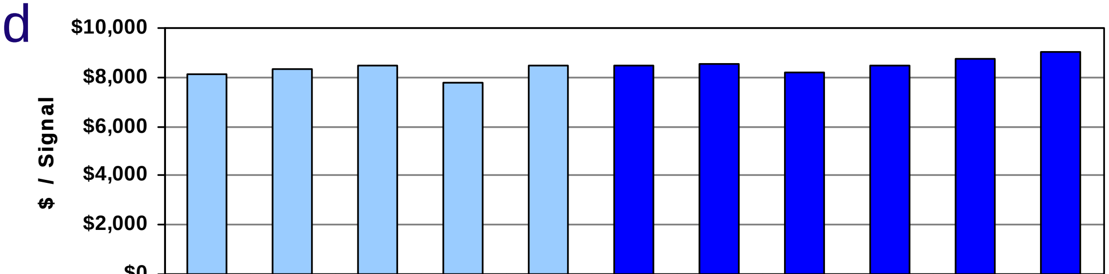


	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Budget	2009 Budget	2010 Outlook	2011 Outlook	2012 Outlook
# of lane kms	3,112	3,158	3,256	3,298	3,327	3,366	3,445	3,495	3,561	3,629	3,698

2009 Key Performance Indicators

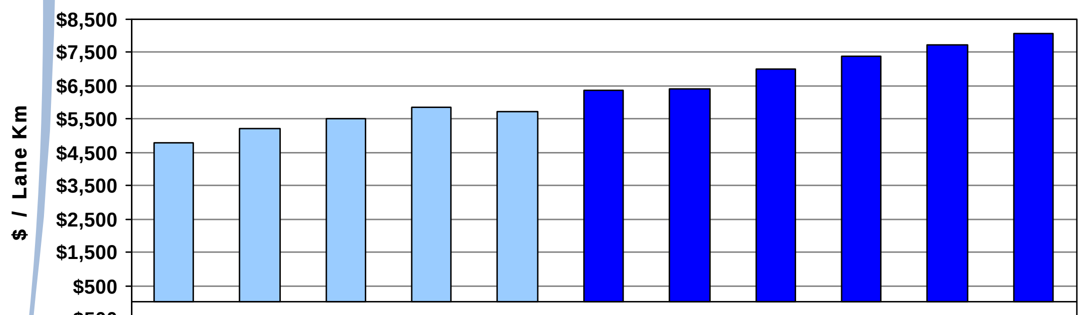
- Decreases in hydro and innovation reserve

Cost per Traffic Signal



	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Budget	2009 Budget	2010 Outlook	2011 Outlook	2012 Outlook
cost per signal	$8,116	$8,303	$8,491	$7,811	$8,468	$8,455	$8,567	$8,218	$8,469	$8,738	9025

Cost per Lane Kilometre of Road Maintenance



	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Budget	2009 Budget	2010 Outlook	2011 Outlook	2012 Outlook
cost per lane km	$4,774	$5,214	$5,500	$5,838	$5,743	$6,380	$6,425	$7,012	$7,396	$7,719	$8,057

- 12% increase in winter contractor costs
- 26% increase in municipal contractor costs
- 6% increase in salt prices

2009 Summary

- Exceeding provincial minimum road maintenance standards despite overall system growth.
- Responding to increasing urbanization of some areas.
- Improving winter maintenance in key corridors to meet urban transit needs.
- Optimizing mix of in-house/out-sourced service delivery.
- Proposed 4.1% gross tax increase (1.3% net of assessment growth).
- Maintaining overall road maintenance costs below median of other GTA Regions.