



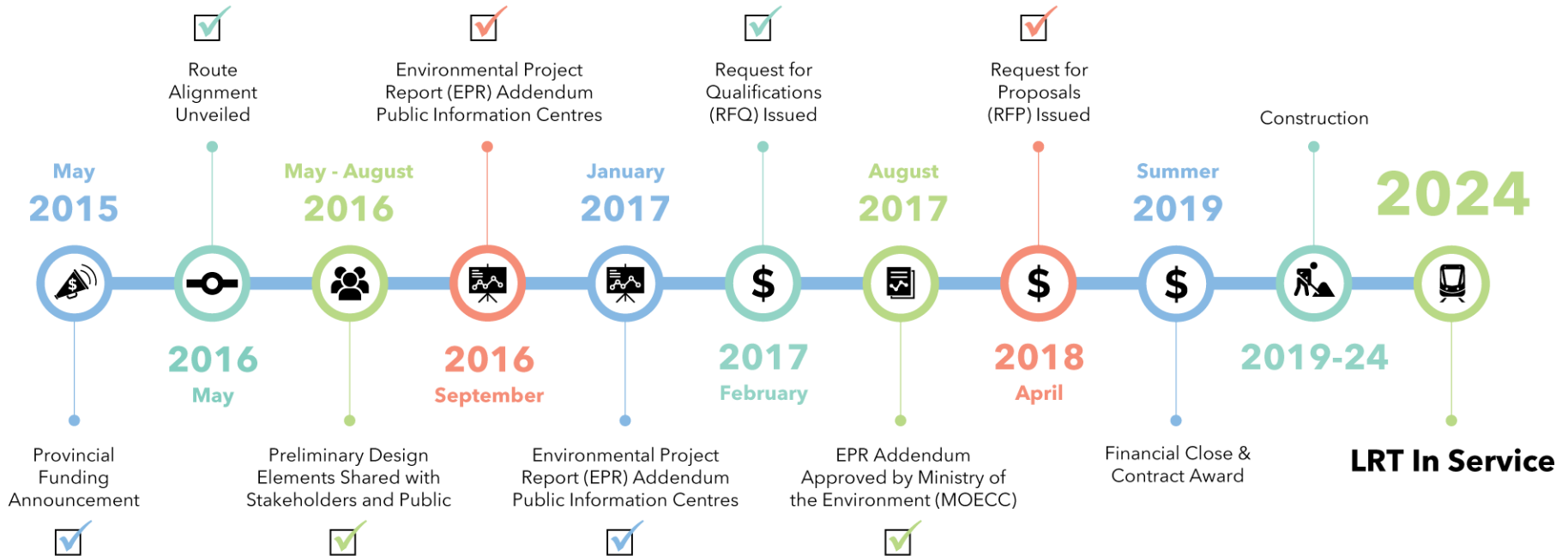
Hamilton

OPERATION AND MAINTENANCE (OM)  
OF THE HAMILTON  
LIGHT RAIL TRANSIT (LRT) SYSTEM

GENERAL ISSUES COMMITTEE: MAY 31, 2018

- Procurement Process
- 2017 OM Review Process
- 2017 OM Results
- Comparison to Rapid Ready

# HAMILTON LRT TIMELINE



\* OM Agreement with Metrolinx – Summer 2019

\* Re-Envisioning Project – March 2020

# Ramifications of Being in Market

- Uphold Fair and Competitive Provincial Request for Proposals (RFP) process.
- The following cost estimates are high level estimates provided in advance of Metrolinx and City resolving terms for cost sharing and are intended to avoid any prejudice to the Province's RFP process.
- More accurate estimates will be provided after Metrolinx and the City resolve terms for cost sharing, as well as after the RFP award.

# Material Changes

Changes	2017	2011
Design Optimization (Environmental Project Report - EPR)	<ul style="list-style-type: none"> <li>Primarily centre-running</li> <li>Fewer dead-end streets &amp; turn restrictions</li> <li>Better vehicular circulation</li> </ul>	<ul style="list-style-type: none"> <li>Side &amp; centre running</li> <li>Dead-end streets &amp; turn restrictions</li> <li>Restricted access to side streets</li> </ul>
Scope Change (Costing Assumptions)	<ul style="list-style-type: none"> <li>Focused on City services outside of the guideway</li> <li>Better understanding of potential design impacts</li> </ul>	<ul style="list-style-type: none"> <li>Focused on City services inside and outside of the guideway</li> <li>Winter Control extended beyond corridor</li> </ul>
Level of Service (Costing Assumptions)	<ul style="list-style-type: none"> <li>Low OM cost estimate is current level of service and high OM cost estimate is enhanced level of service</li> </ul>	<ul style="list-style-type: none"> <li>Enhanced level of service, essential versus non-essential services</li> </ul>

# 2017 OM Costing Exercise

## Municipal Services (excluding Transit)

- Roads: Winter and Summer
- Waste Management
- Forestry and Horticulture
- Traffic / Street Lighting
- Parks & Cemeteries
- Parking Enforcement /School Safety
- Parking Operations
- Licensing & By-Law

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## Transit

- Bus Services
- B-Line LRT Service

# The OM Review Process

## Municipal Services

- Steering Committee and Working Groups were established for each service area.
- Supported by Labour Relations, Legal and Corporate Finance.
- Budget impact on LRT corridor versus status quo (2017).
- Costs during construction will be determined after RFP award.

# The OM Review Process

## Transit Services

- Adjusted Rapid Ready by inflation (2% annual).



# Results – Estimated Incremental OM Costs

Cost Category	2017 Low Estimate (000's)	2017 High Estimate (000's)
Municipal Services (excluding Transit)	\$2,000	\$9,800 *
Transit (Bus + LRT) *	\$3,200	\$3,900
<b>TOTALS</b>	<b>\$5,200</b>	<b>\$13,700</b>

\* Adjusted to 2017\$ (2% inflation per year)

# Drivers for Municipal Services

- Consistent drivers in 2011 and 2017:
  - Winter Control
  - Parking Revenues
  - Street Lighting
  - Rapid Transit Office
- Parking Enforcement/School Safety (no longer driver in 2017)
- FTE comparable

# Comparison to Rapid Ready

Cost Category	2017 Low Estimate (000's)	2017 High Estimate ( 000's)	2011 Low Estimate (000's)	2011 High Estimate (000's)
Municipal Services (excluding Transit)	\$2,000	\$9,800	\$8,700	\$12,020
Transit (Bus + LRT)	\$3,200	\$3,900	\$2,900	\$3,500
<b>TOTALS</b>	<b>\$5,200</b>	<b>\$13,700</b>	<b>\$11,600</b>	<b>\$15,520</b>



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QUESTIONS?