

Investigation of Service Disruptions in Saskatoon Transit

ISSUE

In the winter of 2021-22 Saskatoon Transit was challenged to have sufficient buses available to meet service requirements for peak service periods in the morning and afternoon. What is the plan to address the bus shortages to meet full-service levels going forward?

BACKGROUND

The Standing Policy Committee on Transportation, at its meeting held on March 7, 2022 resolved:

That the Administration report to the April 11, 2022 Standing Policy Committee on Transportation on the framework of the proposed investigation/internal review into transit operations as they relate to service reductions, mechanical issues, preventive maintenance, parts sourcing, impacts of fusion etc. during the 2021/22 winter.

Please include a section in the report that would detail the costs associated with having this investigation/review conducted by an independent third party, in comparison to it being done internally by management and/or the Internal Auditor.

CURRENT STATUS

Saskatoon Transit's fixed route fleet consists of 139 buses with 84 buses required to meet morning service needs. The number of buses being serviced or waiting for service affects whether enough buses are available to meet full-service levels.

From mid-December 2021 to early March 2022 there were times when Saskatoon Transit experienced service disruptions due to a backlog of mechanical issues resulting in a shortage of buses to meet full-service levels. In the first week of March significant progress was made in getting the backlog of mechanical issues addressed and more buses back into service. By March 11, 2022, Saskatoon Transit had returned to meeting full-service levels and since that date full-service levels have been met most days. The continued focus for Saskatoon Transit is to maintain full-service levels going forward.

Administration has begun investigating the root causes of the service disruptions in the winter of 2021-22, lessons learned, and mitigation plans to achieve more consistent, reliable, and dependable service levels. Administration has also been in contact with the City Internal Auditor's Office regarding capacity and availability to conduct an investigation into the service disruptions experienced in the winter of 2021-22.

DISCUSSION/ANALYSIS

As per the resolution at the March 7, 2022 Standing Policy Committee on Transportation meeting, Administration presents the following options for Committee's review and consideration to complete a review of the service disruptions experienced in the winter of 2021-22.

Option 1 – Internal Investigation

The Administration has developed the following framework for an internal investigation:

- The investigation will include looking at the operations of other Transit properties and adopting industry best practices, where identified, to better position for dependable and reliable service. This will include researching the fleet compositions of other Transit properties, operational practices, service levels, preventative maintenance schedules, and other factors that impact dependability and reliability.
- Review past transit operations reviews/investigations including lessons learned.
- Explore feasibility for implementation of remote diagnostics analysis for check engine lights to assist in assessing the source of check engine lights coming on without the need to return the bus to the Civic Operations Centre.
- Review the risk framework for pulling buses from service with check engine lights on.
- Review scheduling of mechanics to optimize mechanical services availability and maximize buses available for morning peak periods.
- Review the bus to journey person mechanic ratio and compliment of journey person mechanics, apprentices and utility staff.
- Review preventative maintenance and service line practices and schedules.
- Working with Supply Chain Management, explore the parts sourcing and parts pick-up/delivery operations for opportunities to source and have parts available on the shop floor as soon as possible and review maximum/minimum inventory levels.
- Review the parts sourcing organizational and reporting structure, staff levels, succession planning, training, and implications of Fusion implementation.
- Work with Supply Chain Management on opportunities for procuring a qualified list of private sector mechanical service providers on an as-needed basis during peak periods.
- Reviewing the scheduled frequency of service during the extreme cold weather months to be better positioned to have adequate resources available to meet the daily requirements. This may mean less scheduled service but would allow Saskatoon Transit to be better positioned with dependable service to meet the demands and reduce the risk of cancellations to scheduled service.
- The new contract for On Demand Transit and how it is scheduled into the service day may provide additional opportunities.
- As part of the investigation process, interviews will be completed with management, ATU Executive and a cross section of front-line staff.

Some preliminary investigation and actions have already been undertaken to address immediate concerns with the service disruptions. If Administration is directed to complete the remaining components of the internal investigation, Administration will report back to the Standing Policy Committee on Transportation on the findings.

To complete the internal investigation, the estimated cost of staff time to complete the work is \$40,000. Saskatoon Transit does not have capacity to complete the investigation in a timely manner without adversely affecting other parts of the operation. If the Standing Policy Committee on Transportation directs Transit to complete the internal investigation, it would be the recommendation of Administration to reach out to other departments with the skill sets and available capacity to complete an arm's-length investigation in a timely manner.

Option 2 – Investigation Led by the City Internal Auditor with Co-source Arrangement

City Council has established a City Internal Auditor's Office that provides independent assurance and consulting services to add value and improve the City's operations. It helps the City accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

Appointed by City Council, the City Auditor provides for the independence of audit activity and ensures that audit results receive adequate consideration. The City's Internal Auditor reports to and is directly accountable to City Council through the Standing Policy Committee on Finance.

The City's [Internal Audit Charter, Policy C02-032](#) sets the purpose, authority, and responsibility of the City Auditor's Office. The Office has authority to audit all aspects of the City's operations, including governance processes, departments, programs, business processes, systems, activities, policies, procedures, etc.

The 2022 approved Audit Plan of the City Auditor's Office already includes an audit of Fleet Services which would assess the effectiveness, efficiency, and economy of services. The City Auditor is proposing to bring the audit early in the year and break the audit into two phases. Phase 1 will focus specifically on the audit of the service disruptions experienced in Saskatoon Transit in the winter of 2021-22. Phase 2 will cover other fleet services such as purchasing, leasing, fuel distribution and operator training. The City Auditor plans to co-source this audit and will engage consultants to assist in the audit. However, the City Auditor will lead the audit and will be responsible for the delivery of the audit results.

The cost to conduct this audit will come out of the City Auditor's Office 2022 annual operating budget which has already been approved by City Council and therefore there will be no additional cost. If this option is selected, the City Auditor will develop a Terms of Reference for Phase 1 of the audit which will be presented to the Standing Policy Committee on Transportation in the June 2022 meeting. The Terms of Reference will

detail the scope, approach, criteria, and reporting timelines for this audit. It is expected that the audit will be completed this year so that the audit recommendations could be implemented before the next winter.

The City Internal Auditor has advised that undertaking the audit through the City Auditor's Office provides the same independence as completing the audit using a Third Party. As stated earlier in the report, the City Internal Auditor reports directly to City Council and is independent from the City Administration.

Opportunities for Funding for Fleet Replacement

In addition, Administration continues to monitor opportunities for programs with other levels of government to leverage funding for fleet replacement as follows:

- On January 27, 2022 Infrastructure Canada announced they are accepting applications for both the planning and capital funding streams of the Zero Emission Transit Fund. Saskatoon Transit is working with the Finance Department to review eligibility and application requirements and will be reporting to Committee with more details on the Fund and seeking approval to submit an application for funding.
- Saskatoon Transit has also investigated the various funding options available through the Canadian Infrastructure Bank for vehicles and infrastructure upgrades to support zero emission vehicles and will continue to work with them and the Finance Department to leverage all viable options.
- Administration is also exploring opportunities for the federal program announced February 17, 2022 to support to municipalities facing transit operating shortfalls to leverage the funding for emergency transit bus purchases.

FINANCIAL IMPLICATIONS

The costs to complete the investigation are outlined in the report.

OTHER IMPLICATIONS

There are no social, legal or privacy implications identified at this time.

NEXT STEPS

If the Standing Policy Committee on Transportation wishes to proceed with an investigation of the service disruptions experienced in the winter of 2021-22, Administration is supportive of Option 2 with the investigation being completed by the City Auditor's office.

Regarding fleet replacement, the Administration will continue looking into funding options and intends to bring a report forward in May 2022.

Report Approval

Written and

Approved by: Terry Schmidt, General Manager Transportation and Construction

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