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METROLINX
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BRIEFING NOTE

WHAT IS THE STANDING COMMITTEE ON PUBLIC ACCOUNTS?

The Standing Committee on Public Accounts is a permanently established subunit of the Legislative Assembly of Ontario intended to more closely investigate the expenditure of public money and report back its observations, opinions and recommendations to the full House. This is typically done by calling witnesses, including politicians and public servants, to testify and respond to questions.

Under the legislature's rules, the Report of the Auditor General and the Public Accounts are automatically referred to the Committee as they become available.

Audit Working Papers

- The 2012-13 Public Accounts of Ontario, including Metrolinx's audited financial statements previously filed in the Metrolinx Annual Report, were released on September 10, 2013 and is thus directly within the mandate of the committee
- In practice, the Committee uses its investigations to broadly examine the performance of the Ontario Public Service, agencies, boards and commissions. Accordingly, matters not strictly identified in the above documents are likely to be discussed at the chair's discretion.

The specific topics from the Auditor General's report or the Public Accounts that will be investigated are decided by the members of the committee.

In order to ensure government accountability, it is a longstanding tradition of Westminster-style parliaments that public accounts committees be chaired by a member of the Official Opposition party. (Usually, committees are chaired by a member of the government party.) This has some important repercussions for how proceedings unfold.

RULES AND PROCEDURES

Detailed procedures, requirements, and time frames will be provided to Metrolinx once we are formally called to testify before committee. It is within the power of the committee to determine matters such as how much time is allotted to each member for questions but generally a common template is used.

The procedures in use during the recent Public Accounts Committee hearing into ORNGE are noted below:

1. Witness called and welcomed
2. Affirmation
3. Witness's Opening Statement: 10 mins
4. Rounds of questions from three parties: 20 min sessions for each caucus

EXTERNAL EXPOSURE

Committee meetings are generally attended by members of the Queens Park press gallery. When Public Accounts Committee meetings are held in the **Amethyst Room** of the legislature (Room 151), video coverage of the proceedings is streamed online and aired on the parliamentary channel; pool video is not provided from other locations.

COMMITTEE MEMBERS

- Reflecting the composition of the overall legislature, there are 4 Liberal, 3 PC and 2 NDP slots, with the combined opposition able to outvote the government.
- Committee members are subject to change, and the listed members below can be substituted for other members within their party. This practise occurs with some frequency, especially if another member of the party has been lead critic on an issue germane to the witness.
- 4 out of the 9 regularly-assigned members below represent a GTHA riding (in grey)

Lib	PC	NDP
	Chair Norm Miller (Parry Sound—Muskoka)	
	Vice-Chair Toby Barrett (Haldimand—Norfolk)	
Members Lorenzo Berardinetti (Scarborough Southwest) Helena Jaczek (Oak Ridges—Markham) Bill Mauro (Thunder Bay—Atikokan) Phil McNeely (Ottawa—Orléans)	**Member** Jerry Ouellette (Oshawa)	**Members** France Gélinas (Nickel Belt) Jagmeet Singh (Bramalea--Gore—Malton)

BRIEFINGS AND SUPPORT

Sessions pertaining to the reports of the Auditor General are commonly attended by the Auditor General herself, who may provide a confidential briefing to the committee prior to beginning hearings. Legislative research officer(s) are also assigned to assist the committee. The clerk of the committee is William Short.

RECENT MATTERS EXAMINED BY PUBLIC ACCOUNTS COMMITTEE

Audit Working Papers

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BRIEFING NOTE

WHAT IS THE STANDING COMMITTEE ON GOVERNMENT AGENCIES?

The Standing Committee on Government Agencies is a permanently established subunit of the Legislative Assembly of Ontario intended to closely assess agencies, boards and commissions on behalf of the full house. It is empowered to consider government appointments (e.g. to the Metrolinx Board of Directors) and also has the power to review agencies *"with a view to reducing possible redundancy and overlapping, improving the accountability of agencies, rationalizing the functions of the agencies, identifying those agencies or parts of agencies which could be subject to sunset provisions, and revising the mandates and roles of agencies."*

When conducting agency reviews, the committee typically calls witnesses, including third party stakeholder groups, to testify and respond to questions.

The majority of work of this committee is appointments. The last time Metrolinx was called to this committee was to review appointments to its board in 2010.

The specific topics to be investigated are decided by the members of the committee.

RULES AND PROCEDURES

Detailed procedures, requirements, and time frames will be provided to Metrolinx once we are formally called to testify before committee. It is within the power of the committee to determine matters such as how much time is allotted to each member for questions but generally a common template is used.

The procedures in use during the recent Government Agencies Committee hearing into Workplace Safety and Insurance Board are noted below:

1. Witness called and welcomed
2. Affirmation
3. Witness's Opening Statement: 30 mins
4. Rounds of questions from three parties: 30 min for questions in three rounds of 10 mins. The first goes to the official opposition.
5. Stakeholder presentations: 10 mins each.
6. After each stakeholder presentation, the first questions asked by the third party, then the government, and then the official opposition.

In this case, stakeholder presentations continued into a second day of the review, which is generally a standard occurrence.

EXTERNAL EXPOSURE

Committee meetings are attended by members of the Queens Park press gallery if the subject matter is felt newsworthy. Meetings of the committee are typically held in Room 1, which does not have video coverage.

COMMITTEE MEMBERS

- Reflecting the composition of the overall legislature, there are 4 Liberal, 3 PC and 2 NDP slots, with the combined opposition able to outvote the government.
- Committee members are subject to change, and the listed members below can be substituted for other members within their party. This practise occurs with some frequency, especially if another member of the party has been lead critic on an issue germane to the witness. However, a short précis of the members' views on transportation is attached as Appendix B.
- 4 out of the 9 regularly-assigned members below represent a GTHA riding (in grey)

Lib	PC	NDP
Chair Lorenzo Berardinetti (Scarborough Southwest)		
Vice-Chair Rick Bartolucci (Sudbury)		
Members Laura Albanese (York South—Weston) Mitzie Hunter (Scarborough—Guildwood)	**Member** Jim McDonell (Stormont—Dundas—South Glengarry) Randy Pettapiece (Wellington) Lisa Thompson (Huron—Bruce)	**Members** Percy Hatfield (Windsor—Tecumseh) Monique Taylor (Hamilton Mountain)

The clerk of the committee is Sylwia Przezdziecki.

RECENT MATTERS EXAMINED BY THE STANDING COMMITTEE ON GOVERNMENT AGENCIES
Workplace Safety and Insurance Board has been reviewed in July of 2012, as well as multiple days in March and April of 2013. **Liquor Control Board of Ontario** has been reviewed over a two-day period in June of 2012. In both cases, multiple stakeholder groups were called to testify. For example, in the case of the **Liquor Control Board of Ontario**, representatives from 12 stakeholder groups testified. Please see Appendix A, attached, for typical questions asked.

Appendix A

Standing Committee on Government Agencies
Sample Agency Reviews

I. Infrastructure Ontario- November 4, 2008
II. Workplace Insurance and Safety Board- July 4, 2012

* * *

I. November 04, 2008 - Agency review: Ontario Infrastructure Projects Corp. (Infrastructure Ontario)

Session 2, Parliament 39: March 8, 2010 - June 1, 2011

- The President and CEO, David Livingston, was invited to give a 10 minute opening statement to respond to stakeholder concerns and, specifically, the issue of market capacity.
- In attendance with him were Jim Dougan, the executive vice-president of project delivery, and Bill Ralph, the CFO and the senior vice-president in charge of infrastructure lending to whom he referred questions as appropriate.
- A 5 minute round of questions from each caucus was followed by another round of wrap-up questions.

Questions asked were as follows:

Mme France Gélinas (NDP):

- Questioned transparency noting that the FOI resulted in a lot of blank pages, "not one number was there, although you talked about your number one principle being transparency to the public" and how to reconcile this.
- Questioned oversight of bundled P3 projects.
- How financing plays a role in delivering projects "on time and on budget".

Mr. Kevin Daniel Flynn (LIB):

- Questioned the analysis and the marginal benefit of risk transfer using AFP compared to traditional model.
- Asked for information regarding improvements to the RFP process.
- Questioned transparency and the socialization of the changes to IO's processes, "are you finding any evidence that as the public gets increased knowledge there's increased acceptance of the AFP process?"

Mrs. Liz Sandals (LIB):

- Questioned contract conditions under the maintenance of "hard infrastructure" (ei. quality and life span of flooring) and how this is a factor in awarding a contract.

Ms. Lisa MacLeod (PC):

- Stated concern from small contractors about bundling of projects because is reduces their ability to compete. Asked for information regarding the incentives for bundling and an update on the number of currently bundled projects.

- Asked for clarification on lowest cost compliance, whether lowest cost is the sole factor for awarding a contract.
- To what degree will the economic climate ease market capacity constraints to expedite or lower the costs for AFP projects?
- Questioned level of transparency and disclosure of project details. Requested further detail on costs.

➢ For the full transcript, please see here.

II. July 04, 2012- Agency review: Workplace Safety and Insurance Board

Current Parliament

- **Elizabeth Witmer (Chair),** David Marshall (President and CEO), and John Slinger (Chief Operating Officer) appeared before the standing committee on behalf of the WSIB over the course of a two day period.
- During the first day, the review began with a 30 minute presentation from the WSIB, presented by the Chair. Each caucus was then permitted 30 minutes of questions in 3 rounds of 10 minutes.
- On the second day, stakeholders had an opportunity for a 10 minute presentations. Deputants included; Old Order Mennonite Government Relations Committee, United Food and Commercial Workers Canada, Ontario Professional Fire Fighters Association, Doug Terry Ltd./Ontario Home Builders' Association, Ontario Public Service Employees Union, Office of the Worker Adviser, Council of Ontario Construction Associations.
- At the end of the second day, WSIB presented for another 30 minutes, again followed with rounds of questions from each caucus.
- The review concluded with a motion for the Committee to ask the WSIB to table documents by the end of the month. Motion was carried.

Questioned asked of WSIB were as follows:

Mr. Jim McDonell (PC):

- Stated WSIB's record has been poor quoting the Federation of Independent Business's report giving WSIB the lowest index in the country for customer service. Asked for comments.
- Effect of Bill 119 on independent business.
- Is it time for a change in governance structure? Compared to other provinces and jurisdictions? Is the system doing what we want it to accomplish within the greater scope of things?

Ms. Lisa M. Thompson (PC):

- Asked for WSIB to elaborate on previous analysis and timelines for results (re: unfunded liability).
- Asked for the total number of employees.

Mr. Rob Leone (PC):

- Questioned the effect of high premiums on small business growth and job creation.
- Asked to what extent has WSIB considered leveraging/partnering with the private sector to reduce cost of administration.

Mr. Randy Pettapiece (PC):

- Is the WSIB aware of the concerns of its stakeholders? Is it responsive?

Mr. Taras Natyshak (NDP):

- Did WSIB have access to a report (Arthurs) before it was officially released?
- Does the Chair agree with the strategic goals specified by the previous Chair?

Miss Monique Taylor (NDP):
- Requested that work (re: universal insurance coverage) be tabled before the Committee.

Mrs. Laura Albanese (LIB):
- What would the Chair like to see her legacy as being?
- What are the organization's weaknesses that need to be overcome to better serve the people of Ontario?
- What are some improvements WSIB has made to serve x population.

Ms. Helena Jaczek (LIB):
- What technologies have you instituted in order to achieve greater efficiency?

➢ For the full transcript please see Day 1 and Day 2.

Appendix B

Committee Members - Comments re Transportation
<u>LIB</u>

Chair
Lorenzo Berardinetti
(Scarborough Southwest)

- Strong opponent of Scarborough LRT and proponent of Bloor-Danforth subway extension alternative.
- Only member of the provincial Liberal caucus to attend federal announcement of funding for Scarborough subway
- In March 2012 in advance of Toronto Council meeting responding to Sheppard corridor "expert panel" report, one of six Scarborough Liberal MPPs to sign a letter calling for Toronto Council and Metrolinx to continue supporting a Sheppard subway under the Ford MOU rather than revert to LRT .
- Raised transportation issue in the legislature, claiming he was representing many constituents in Scarborough who have been trying to convert the Scarborough LRT project into subways for years.
- Married to City Councillor Michelle Berardinetti (Ward 35- Scarborough Southwest); she has been critical of plan to run Eglinton Crosstown LRT at-grade on Eglinton through her ward, and alleged Metrolinx has falsely exaggerated sunk cost estimates for the Scarborough LRT to dissuade council from choosing a subway and proposed unacceptable scope reductions for the Crosstown station at Kennedy.
- Note: Received briefing from Metrolinx (Jack Collins and Jamie Robinson) on June 25, 2013

Vice-Chair
Rick Bartolucci
(Sudbury)

- No relevant GTHA commentary

Members
Laura Albanese
(York South—Weston)

- Familiar with Metrolinx, particularly on account of GTS project, strong supporter for electrification
- Raised concerns in Legislature on GTS construction impacts in riding.
- Strong supporter of the Eglinton Crosstown LRT (especially supported the decision to go underground through Mt. Dennis).
- In a recent Question Period, Albanese stated that a world class city needs a variety of transit options, not just subways.

Mitzie Hunter
(Scarborough—Guildwood)

- Former CEO of CivicAction, through which she was previously a strong supporter of the Big Move and lead a public pledge drive to support 11 dedicated revenue tools (including a regional sales tax, parking levy and road tolls).

- In March 2012 was a member of Sheppard corridor "expert panel", which endorsed LRT for the area.
- In summer of 2013 she ran on a pro-subways platform as a "subway champion" for Scarborough, supporting an extension of the Bloor-Danforth line.

PC

Members
Jim McDonell
(Stormont—Dundas—South Glengarry)

- McDonell has stated that the gas tax revenue must be shared with rural Ontario and was in favour of MPP John Yakabuski's *Gasoline Tax Fairness for All Act*.

Randy Pettapiece
(Wellington)

- Perrapiece has stated that the gas tax revenue must be shared with rural Ontario and was in favour of MPP John Yakabuski's *Gasoline Tax Fairness for All Act*.

Lisa Thompson
(Huron—Bruce)

- No relevant GTHA commentary

NDP

Members
Percy Hatfield
(Windsor—Tecumseh)

- Shortly after his by-election victory, Globe and Mail reported that Hatfield suggested revenue tools would be a hard sell in his riding if funding was strictly for GTHA transit projects, but they might be supportable if his riding can see the benefits.
- After his comments were released, Ms. Horwath's office issued a clarification noting that Hatfield was referring to funds generated through eliminating some corporate tax credits, not by increasing taxes or tolls.

Monique Taylor
(Hamilton Mountain)

- In 2011 election, Taylor was in favour of LRT in Hamilton

Provincial Government Scan
Identified Legislation and Issues

Governance & Proceedings

Electrification of Georgetown and UP Express

The third party opposition focused on the immediate electrification of the Georgetown and UP Express lines stating that the NDP are committed to transit investments and questioned if the Minister will commit to electrification from day one. Several petitions were posted in the Legislature beginning in February of 2013 and have continued to be posted into October of 2013.

See appendix for more details.

The Standing Committee on General Government: Traffic Congestion

A two day discussion on traffic congestion in the GTHA, National Capital Region, and Northern Ontario was hosted by the Standing Committee on General Government on June 4th and 6th 2012 and restarted in April of 2013. Metrolinx was in attendance.

The committee has not taken any further direction in regards to the traffic congestion study after the public hearing was held- a report has not been issued.

Current Term

Introduction of Private Member's Bill by Mr. Jonah Schein

Bill 84, An Act to amend the Metrolinx Act, 2006

The bill amends the Metrolinx Act to ensure any passenger rail service between downtown Toronto and Pearson is not powered by diesel fuel. The wording is identical to a similar Bill first introduced by Mr. Schein (MPP Davenport, NDP) in the previous legislative session that was not debated prior to prorogation. Mr. Schein re-introduced the Private Member's Bill for the second time on June 5th, 2013 and it is expected to be debated December 12, 2013.

Opposition's Motion Calling upon Government to Recognize Commitment of $1.8 Billion to Scarborough Subway

On September 18, 2013 a motion was brought before the Legislature by Mr. Doug Holyday (MPP Etobicoke—Lakeshore, PC). The motion called upon the government to recognize that the government had previously voted against building subways, had promised $1.8 billion in funding for subway expansion in Scarborough with more stops, to keep the promises made in the last by-election, and to build "a world-class transportation system" in collaboration with Toronto's City Council and Metrolinx that includes a subway from Kennedy Station to Sheppard Avenue. The motion lost.

Preceding the motion being debated and put to vote on September 18, several questions were raised during Question Period regarding Holyday's motion and the concept of the government "keeping its promise". The overall response from Premier Wynne was that the government has been committed to building transit in the GTHA, is working with their municipal partners and Metrolinx, and is committed to building a subway in Scarborough.

On October 2, 2013, Tim Hudak released an op-ed in the Toronto Sun naming Doug Holyday as the GTA's transit champion and that the "GTA needs a subway subway expansion east into Scarborough, west into Etobicoke, north into Richmond Hill and downtown via a relief line… without a new tax".

High Occupancy Toll Lanes (HOT Lanes)

The conversion of HOV lanes to HOT lanes were proposed and passed in the 2013 Provincial Budget with a commitment that "The Province will consult with its partners and bring forward a plan by year-end".

In May of 2013 questions were asked from both parties opposite about the projected revenue from building HOT lanes. Members of the NDP questioned why the projected revenue of $250 million a year from HOT lanes was not included in the Budget and expressed as concerns over the estimated $300 million initial investments. The NDP question the use of toll lanes as an empirically viable revenue tool, citing the example from Los Angeles where toll lanes have increased congestion and the "Lexus lane" issue, which they believe presents an issue of fairness.

Questions were asked by the third party over the different costs reported by Metrolinx and the Ministry of Finance. The third party questioned why the KPMG report to Metrolinx said that it costs about $700,000 to implement one kilometre of high-occupancy toll lanes, therefore, costing $300 million to create 450 kilometres of HOT lanes and generating $25 Million a year while the Ministry of Finance projected revenue of $250 Million to $300 Million. The Minister directed the inquirer to the Metrolinx website for information on the entire cost.

Metrolinx's Investment Strategy

After Metrolinx's Investment Strategy was made publically available on May 27, several questions, petitions, and comments were made in the Legislature regarding proposed revenue tools.

In general, from NDP members there were concerns over the fairness of increasing taxes on consumers as revenue tool for the Big Move while continuing to reduce corporate taxes. From the PC, questioning why the government cannot find the funds by combing through the budget instead of implementing new revenue tools.

Private Member's Bill: Recycling of Aggregate

Bill 56, An Act to prohibit certain restrictions on the use of aggregates in performing public sector construction work

This Bill, introduced April 22, 2013 by Ms. Sylvia Jones (MPP Dufferin-Caledon, PC), prohibits any person or body that forms part of the public sector from refusing to consider a bid for construction or refusing to enter into a contract for construction work for the sole reason that the work, or any part of it, can or will be performed using aggregates that are not newly produced. In coverage in the trade media, Metrolinx and Infrastructure Ontario were cited by name as anticipated subjects of the bill. Political interest in encouraging recycling and reducing reliance on newly-quarried aggregates is closely related to the controversial Melancthon quarry.

On its second reading, the Bill was debated in the House and carried on September 26, 2013 with cross-party support. The Bill was referred to, and currently remains in, the Standing Committee on Finance and Economic Affairs.

Government Advisory Panel on the Investment Strategy

In the Legislature

After the news of the Advisory Panel was released, there were questions asked during Question Period from both opposition parties. From the NDP, there are concerns about a lack of costing balance coming from both personal and corporate sources. From the PCs, questioning the necessity of The Panel after meetings and roundtables hosted by Metrolinx and other groups such as CivicAction. The PCs are concerned that panel members are unelected and that it is "time for action".

Alternative Financing and Procurements (AFPs) in Light of Windsor/ Herb-Gray Girders

The issue of Metrolinx's use of AFPs was discussed in the Legislature as it relates to the discovery of deficiencies in the girders used in the construction of the Herb-Gray Parkway (Windsor-Essex) and the timeliness of the Ministry's response.

The government has invested $1.4 billion into the Windsor-Essex Parkway. It ceased any further construction after becoming aware of the issue in June. An expert review panel has reviewed this matter and released a report at the end of September 2013.

After the 140 page report was released, further questions were asked to the Minister to explain where the Ministry oversight was when 500 deficient girders supplied by the Spanish supplier. The Minister has stated that engineering decisions for the parkway will not be a political decision or a budgetary decision, it will be at the discretion of the chief engineer of the province.

The Ministry of Infrastructure is reviewing things like bundling, oversight, and project administration and recommendations will be coming forward.

Expenses in Light of Pan Am

In September 2013, questions on the Pan Am game expenses have been frequent in the Legislature after media reports were released describing executives claiming expenses such as coffee, dinner, travel, and parking as well as executive bonuses.

The Minister asked the Pan Am board to review their expense policy and strengthen it at the Premiers request. The Tories boycotted the Pan Am reception in protest of its price tag.

Appendix

Electrification of Georgetown and UP Express

Mentions in the Legislature:

- February 26, 2013. Petition-Air Rail Link. *Ms. Cheri DiNovo (Parkdale—High Park, NDP).*
- March 4, 2013. Oral Questions- Air Rail Link. *Q. Mrs. Laura Albanese (Liberal, York South-Weston.*
    - Note, friendly question in which Minister Murray stated the government is committed to electrification by 2017 and is building the capacity for this process
- April 15, 2013. Petition- Air Rail Link. *Mr. Jonah Schein (Davenport, NDP).*
- May 28, 2013. Petition- Air Rail Link. *Mr. Jonah Schein (Davenport, NDP).*
- June 6, 2013. Oral Questions- Air Rail Link. *Mr. Jonah Schein (Davenport, NDP).*
    - Stating that the NDP are committed to transit investment and questioning if the Minister will commit to electrification of the UP Express form day one.
- October 7, 2013. Petition- Air Rail Link. *Ms. Cheri DiNovo (NDP, Parkdale-High Park).*

Metrolinx Media Scan – Top Issues

As of October 4, 2013 (to be updated prior to appearance)

Scarborough Subway

This issue has dominated coverage of Metrolinx all summer and remains the top reason Metrolinx is mentioned in the media. The summer was been marked by several different visions for rapid transit expansion in Scarborough. Toronto City Council is set to determine how to move forward on the issue. Metrolinx has said it will work with the city and TTC on work necessary for whichever plan is approved. The debate over the route and technology has cause many vocal Toronto residents and members of the media to decry the flip-flopping on this file and the delays in progress that inevitably result. Many have expressed anger at Metrolinx for what they feel to be Metrolinx reopening the debate on Scarborough transit and further delaying things by restarting city council debates long thought done. Some commentators have said that Metrolinx is responsible for adding more confusion to the transit debate.

Authority

In the most recent letter from Metrolinx to the City of Toronto regarding the Scarborough subway issue, the language surrounding political decision-making has spurred media commentary regarding Metrolinx's authority and legitimacy. Certain transit watchers and bloggers had previously raised questions about the influence of the Ministry of Transportation on Metrolinx and its Board of Directors. This sentiment has made its way to the mainstream media, as reporters have begun to write and ask about political interference in transit planning. In particular, CBC Radio's Metro Morning host Matt Galloway has asked every guest he's had on the show on the Scarborough Subway topic about their thoughts on Metrolinx's legitimacy. "Who's in charge of transit planning?" is a regular refrain. Some public figures have said politics cannot be taken out of transit planning, but others have said Metrolinx can work more effectively if politicians step out of the way. This has led to renewed questions about adding politicians to Metrolinx's board of directors.

UP Express & Spending

The UP Express project has generated much negative commentary. For the most part, the focus of this commentary is on our inability to electrify the line in time for the 2015 launch of service and lately, localized issues surrounding noise walls along the UP Express/Georgetown South corridor. Cost has become another topic of discussion, with some commentary suggesting the cost is too high, the project may run overbudget and that the cost a ticket once the UP Express opens will be too high for most people.

Questions around UP Express costs are related to other comments regarding Metrolinx expenditures, particularly in light of the Toronto Sun articles and editorials from September, which focussed on overall spending on advertising, marketing and communications consultants. The commentary in certain circles is that Metrolinx spending is out of control and Metrolinx should not be asking for new revenue tools to pay for transit until it tightens up its own spending habits.

Media Scan – Public Accounts Committee

Governance & Mandate

Board Composition

Approximately once a year media/politician commentary pops up suggesting that Metrolinx would be better served with politicians on its Board of Directors.

Board Member Conflicts of Interest (Casino Lobbying)

In March 2013, during Toronto's public and political debate surrounding a potential casino, news emerged that Metrolinx Board Chair Robert Prichard and Board member Doug Turnbull were registered as lobbyists for a consortium led by MGM Resorts, which was pitching a $3-billion gambling complex. The board members followed appropriate conflict of interest rules, but the issue of transit agency board members advocating for a major casino-resort that would have had transit /transportation impacts generated some controversy.

Metrolinx Uploading TTC

At some point every year new commentary from columnists and politicians emerges suggesting that responsibility for the TTC operations be uploaded to Metrolinx, much as was done with the Metrolinx/GO merger. Progressive Conservative leader Tim Hudak has advocated this, as have a number of politicians and media commentators.

Spending

Sunshine List

The annual publishing of the Sunshine List of provincial and municipal public servants who make $100,000 or more per year in salary always causes negative coverage for every agency with individuals on the list. Most media outlets run general articles on the List as a whole, which occasionally mention Metrolinx officials. Only the Toronto Sun has run a Metrolinx-specific Sunshine List piece.

Marketing, Advertising & Sponsorship

The Toronto Sun has written a series of articles and editorials covering partnership programs from 2011 in which Metrolinx received some tickets to events, which were in turn used by some members of Metrolinx staff. These articles were the result of Freedom of Information requests and spawned further requests and subsequent articles that looked at overall advertising, marketing and communications consultant spending levels at Metrolinx.

Big Move Progress

Business Case Analyses

Some public and blogger commentary has emerged questioning Metrolinx's lack of publicly available business case analyses for some of our projects.

Project Prioritization

Questions have been raised repeatedly about the process by which Metrolinx prioritizes individual projects, how we determine which projects will get built first. This is set out in the Project Prioritization Framework, which has been given particular attention by Hamilton media, who are intent on "moving up in the ranks" of priority projects.

Investment Strategy

The Investment Strategy garnered an unprecedented amount of media coverage for Metrolinx and focussed attention on a number of points. Areas of inquiry included: why particular tools were chosen over others; whether the strategy would be implemented province-wide or be a local initiative; how progressive/regressive the recommended tools were; the rate of 416 vs 905 expenditures; the mixed response from GTHA municipalities; and pushback from various industry sectors.

Procurement, AFP and Community Benefits

Crosstown "mega-contract" and foreign content

This past summer the Construction Design Alliance of Ontario, an industry trade group representing companies and organizations involved in Ontario infrastructure development, raised concerns that the bundling of contracts for the Eglinton Crosstown LRT project would, by the nature of the size of the contract, freeze out smaller, local firms in favour of larger, foreign entities and waste up to $500 million. Through this line of thinking, the argument was also made that foreign professionals would lead to projects that did not adhere to provincial safety standards.

Private operators & Design/Build/Finance/Operate/Maintain contracts

A year ago, Metrolinx suggested that it may issue an RFP for the Eglinton Crosstown LRT that would have the successful bidder operate the LRT in addition to designing, building, financing and maintaining and the line. This generated considerable controversy and questions surrounding how a local transit project entirely within the City of Toronto would function while not being operated by the TTC, but intersecting with TTC subway and bus services.

Community Benefits Agreements

Local organizations, particularly along the Crosstown and Georgetown South corridors, have pushed for Community Benefits Agreements with Metrolinx. These agreements would include targets for contractors hiring construction crews from local communities, among other benefits to local areas that would, in part, mitigate the

Toronto Transit Projects

LRT traffic impacts

Some politicians, media commentators and members of the public conflate LRT with existing TTC streetcar service and argue that the LRTs will disrupt traffic.

Scarborough LRT vs. subway

The summer has been marked by several different visions for rapid transit expansion in Scarborough. The latest proposal, from the Ministry of Transportation, has generated considerable negative feedback. At its September 10 board meeting, Metrolinx confirmed that it was working with the TTC on a detailed analysis (following a preliminary feasibility study) of the plan to determine if it is a workable solution to rapid transit expansion in Scarborough.

Media have focussed on the major differences between Minister Murray's announced proposal and that approved by City Council in July, as well as the need to reopen the master agreement, the impact this newest proposal would have on the Crosstown timelines and the difference between what is possible within the $1.4-billion provincial funding envelope for both subway and LRT options. Certain transit watchers and bloggers have also raised questions about the influence of the Ministry of Transportation on Metrolinx and its Board of Directors.

Relief Line

The Relief Line, also known as the Downtown Relief Line and the Commuter Relief Line, has been studied repeatedly for decades. Studies have shown that the need is only increasing, as the Yonge subway line is nearing absolute capacity. Metrolinx has committed to study the concept and it is a priority project in the Next Wave. However, some politicians and commentators have framed it as a project for the downtown, not the suburbs. Others have suggested that instead of spending billions of dollars to tunnel a new subway line, the existing GO Transit corridors could be used to provide a cost-effective Relief Line.

UP/GTS/Electrification

Local vs airport service

A number of local and provincial politicians have called on Metrolinx to add numerous additional stops to the Union Pearson Express, to make the service more of a local transit option than a dedicated link between Union Station and Pearson Airport. The concept would lengthen the trip between the two points considerably.

Ridership Projections and Cost Recovery

Audit Working Papers

Audit Working Papers | Exclusion per Committee Direction

Exclusion per Committee Direction

Electrification & Impacts of Diesel Trains

Considerable local opposition to the introduction of Union Pearson Express service with diesel locomotives has been mounted along the corridor. Local MPs and MPPs have also been critical of the plan to start UP Express service in 2015, before it is feasible to electrify the corridor. The number and frequency of trips to and from the airport have raised concerns about the health impacts that additional diesel trains will have on residents who live along the corridor.

Noise Walls & UP Express Corridor Foliage

Metrolinx is required to construct noise walls along the Georgetown South corridor to mitigate noise from trains and address local concerns. We have established a number of local consultation committees to discuss various design options for the walls. However, some residents along the corridor have criticized the process, saying that Metrolinx had already made a decision on the walls and was looking for feedback to support that decision. Critics also claimed that the walls would not be necessary if the Union Pearson Express were electrified as soon as it enters service and that local advocates have been denied meetings with Metrolinx officials about the issue. One group contracted a local architecture firm to design “green walls” that it said were not under consideration by Metrolinx, and claimed that requests for meetings with Metrolinx officials to discuss these green walls were snubbed.

Construction Impacts

Local residents along the Georgetown South corridor, particularly in the Junction and Weston neighbourhoods, have raised concerns about the noise, dust and traffic impacts of ongoing construction. Some measures have been taken to attempt to alleviate these concerns in the immediate areas around some of the most disruptive work.

GO Transit

Service Guarantee

Late last year GO Transit launched the Service Guarantee to much positive media coverage. Riders were pleased to learn that certain rail trips that were delayed 15 minutes or more would be eligible for reimbursement of ticket price. The Toronto Sun, which frequently reports on government spending it deems to be excessive, requested and reported on the total amount of money spent on refunding riders' fares under the service guarantee.

GO Rebrand

GO Transit recently undertook a marginal rebranding effort, updating its logo to make it optimal for web and mobile phone use and gradually repainting locomotives and buses in new shades of green. Some members of the public responded positively, while other dedicated GO fans expressed dismay that GO was changing its signature shade of green, an aspect of the service's identity that they feel is at the core of what GO is.

PRESTO

System Cost

Audit Working Papers

Contractor Performance

Problems with the implementation and testing phase of PRESTO on the OC Transpo system were traced, in part, to German contractor Scheidt & Bachmann. Criticism flowed from Ottawa to the GTHA when it was determined that the firm was on the "preferred vendors" list for implementing PRESTO on the TTC.

PRESTO Ottawa Issues

PRESTO's initial pilot period on the OC Transpo system was hindered by several technical issues. This generated much negative media coverage and commentary and created many PRESTO opponents both in Ottawa and Toronto, fearful that the system would be prone to glitches and would prove more costly than beneficial.

Assorted Local Concerns

Hamilton - James Street North GO Station

Hamilton media have spent considerable time covering the news of a new GO Transit station, on James Street North. However, negative sentiments have been expressed regarding the lack of connection between James Street North Station and the current existing GO station in Hamilton, as well as the scheduling of trains departing from and arriving at either station. The station has also been perceived as the precursor to the extension of two-way all-day GO service on the Lakeshore West Line to Hamilton.

Hamilton (L)RT

Many members of the media and the public in Hamilton are eagerly anticipating the LRT line that is identified in the Big Move and the Next Wave. However, support from some local politicians has been lukewarm and at one point, Metrolinx materials ceased referring to LRT and simply referred to RT (Rapid Transit). This became a major issue in the Hamilton media, which has been largely supportive of the LRT plan. Questions were raised about the lack of Metrolinx commitment and the extent of political interference in the project. Hamilton media were also keen to determine how projects were prioritized, to see where the LRT sat within the Next Wave. Another related issue was that of funding. Hamilton politicians and media had hoped for full provincial funding for the project, without the requirement that the city implement Investment Strategy tools to help fund the LRT.

Milton Two-Way All-Day GO Service

Milton is one of, if not the fastest growing communities in Canada. Population growth has spiked severely in the 21st Century and local residents and politicians have called for major improvements and increases to GO rail service to the town. Two-way all-day GO rail service is the central issue that local residents and politicians want addressed. The Milton Line is essentially at capacity and there are constraints to Go expansion on the corridor (some portions of the line are single-track, would require expropriation to expand).

Hurontario-Main LRT Alignment in Brampton

Recently, Brampton politicians have questioned the Hurontario-Main Street LRT project, which would connect Mississauga and Brampton. The local issue in Brampton focusses on the need for an LRT along the route. Politicians there have suggested and other main arteries would be a better location for LRT and Main Street would be better served with BRT. Mississauga, for its part, is fully supportive of LRT and is eager to break ground on the project.

Viva Alignment

Construction disruptions along the Highway 7 Viva Rapidways corridor has strained relations with some local residents. More long-term of an issue are complaints from some vocal residents that the Rapidways route runs through areas that should remain suburban/residential in nature, that the new rapid transit would precipitate unprecedented and unwelcome residential and commercial growth and change.

Bowmanville Extension

Go Transit is working towards extending the Lakeshore East Line to Bowmanville. While residents in the Municipality of Clarington certainly welcome the plans for rail service, the most attention that this extension has had has been focussed on Oshawa and the impact that an additional GO station would have on Downtown Oshawa. This attention has, for the most part, centred around Metrolinx's efforts to negotiate the purchase of the Knob Hill Farms property. After lengthy discussion with the property owners a purchase agreement was not reached and Metrolinx recently issued a notice of expropriation for the site.

Kitchener GO Rail Service

Though regular ridership numbers from Kitchener GO Station are relatively low, GO customers from the Kitchener area, as well as local media, are very vocal about desiring better, faster GO rail service. Any delays or even small schedule adjustments are newsworthy and Metrolinx is repeatedly asked when we'll be making the trip faster and/or increasing service.

Niagara GO Rail Service

Issues with Niagara GO rail service are similar to Kitchener's, though Niagara only sees seasonal service. Some aspire to see regular GO rail service and in some cases, key stakeholders dispute the technical constraints that exist (i.e. Welland Canal bridge). However, media in the area know that low demand is a key factor, though they still push for regular service.

Peterborough / Shining Waters Railway Concept

The reintroduction of rail service between Peterborough and Toronto has been a key issue from some Peterborians for several years. Interested local residents have created an organization called the Shining Waters Railway to lobby for the service. The SWR has commissioned studies to support its case and it currently enjoys the support of local Conservative MP Deal Del Mastro. Del Mastro unveiled the findings of the Shining Waters study (only 8 months after Metrolinx's own study was completed) suggesting the capital cost would be $233-million.

Metrolinx's own 2010 study of the concept, unconnected to any independent SWR work, determined that the line lacked financial viability. The Metrolinx study determined the initial capital cost would be $541-million. In 2008, the federal and provincial governments committed up to $150-million towards the line.

Appendix

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- http://www.thestar.com/news/gta/2013/05/15/brampton_mississauga_at_odds_over_transit_projects.html
- http://www.bramptonguardian.com/news-story/3081363-hurontario-lrt-is-part-of-the-next-wave-/

Viva Alignment

- http://www.thestar.com/news/gta/2013/03/04/highway_7_gets_its_own_sign_of_urbanity_a_transit_fight.html

Bowmanville Extension

- http://www.durhamregion.com/news-story/4045573-metrolinx-looking-to-expropriate-oshawa-knob-hill-farms-lands/
- http://www.oshawachamber.com/index.php?option=com_content&view=article&id=541&catid=1
- http://www.dcnonl.com/article/id30753

Kitchener GO Rail Service

- http://www.cbc.ca/news/canada/kitchener-waterloo/story/2013/08/30/kitchener-go-train-travel-time.html
- http://www.therecord.com/news-story/4052525-go-trains-to-take-longer-to-return-to-kitchener-from-toronto/

Niagara GO Rail Service

- http://www.stcatharinesstandard.ca/2013/09/05/to-get-go-bradleys-gotta-go
- http://www.wellandtribune.ca/2013/04/16/niagaras-go-train-numbers-in-need-of-boost

Peterborough / Shining Waters Railway Concept

- http://www.thepeterboroughexaminer.com/2013/07/20/final-rail-report-expected-in-march

Committee Members - Comments re Transportation

PC

Chair
Norm Miller
(Parry Sound—Muskoka)

- In a press release in 2008, Norm Miller is quoted saying the distribution of gas tax funding unfair to rural municipalities that do not have a transit system.
- Ontario's distribution of transit funding should be similar to the Federal Governments so that rural municipalities can plan out infrastructure work.

Vice-Chair
Toby Barrett
(Haldimand—Norfolk)

- Highly critical of Metrolinx Investment Strategy, in his column posted to his personal website in June he alleged his constituents in rural Ontario would be asked to pay for GTHA transit benefits they would not benefit from.
  - Summarized The Big Move as "a $50 billion plan to build subsidized subways in the GTA"
  - Critical that out of $16 billion being spent so far, $13 billion has come from the Ontario taxpayer.
  - Claimed that with "the proposed 5% increase in gas tax and 1% in HST, rural Ontario will be asked to pay even though no one in Haldimand-Norfolk uses the subway regularly."
  - Suggested that instead of increasing taxes, government should seek efficiencies within its own by cutting waste and red tape, noting that over half provincial budget is spent on salaries, wages, benefits and pensions.

Member
Jerry Ouellette
(Oshawa)

- Parliamentary Assistant to the Minister of Transportation July 13, 1995— June 02, 1999
- Supported extension of highway 407 into Oshawa.

LIB

Members
Lorenzo Berardinetti
(Scarborough Southwest)
- Strong opponent of Scarborough LRT and proponent of Bloor-Danforth subway extension alternative.
- Only member of the provincial Liberal caucus to attend federal announcement of funding for Scarborough subway
- In March 2012 in advance of Toronto Council meeting responding to Sheppard corridor "expert panel" report, one of six Scarborough Liberal MPPs to sign a letter calling for Toronto Council and

Metrolinx to continue supporting a Sheppard subway under the Ford MOU rather than revert to LRT .

- Raised transportation issue in the legislature, claiming he was representing many constituents in Scarborough who have been trying to convert the Scarborough LRT project into subways for years.
- Married to City Councillor Michelle Berardinetti (Ward 35- Scarborough Southwest); she has been critical of plan to run Eglinton Crosstown LRT at-grade on Eglinton through her ward, and alleged Metrolinx has falsely exaggerated sunk cost estimates for the Scarborough LRT to dissuade council from choosing a subway and proposed unacceptable scope reductions for the Crosstown station at Kennedy.
- Note: Received briefing from Metrolinx (Jack Collins and Jamie Robinson) on June 25, 2013

Helena Jaczek
(Oak Ridges—Markham)

- In question period, has expressed concern about gridlock in riding. Supports the Viva project and GO Transit Services, and supports government's gas tax program.
- Riding continues more GO stations than any other and over past years has demonstrated strong history of interest and support for GO.
- Note: Received briefing from Metrolinx (Gary McNeil and Dina Graser) on August 30, 2013.

Bill Mauro
(Thunder Bay—Atikokan)

- Announced Government's investment into Bombardier building 50 new bi-level GO Transit rail coaches for Metrolinx which began in June 2011 and created over 1200 jobs at Bombarider.

Phil McNeely
(Ottawa—Orléans)

- Riding served by Presto cards following OC Transpo's adoption

NDP

Members
France Gélinas
(Nickel Belt)

- In June of 2012, spoke at Northland NOT for sale rally that took place in Sudburry, expressly opposing the privatization of ONTC. Government should give Northerners time to look at how ONTC can be run publically like GO Transit.

Jagmeet Singh
(Bramalea--Gore—Malton)

- No comments found.

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Board of Directors

Issue: Municipalities no longer have representation on the Metrolinx board. While municipal leaders have expressed concerns about this configuration for some time, there is renewed concern now that Metrolinx is considering spending new dedicated revenue, particularly revenue drawn from traditionally "municipal" revenue space. Furthermore, the recent case where two members of the Board of Directors registered as lobbyists for a proposed Casino raised questions about how part-time private citizen board members could avoid conflicts of interest.

Key Messages:

- The Metrolinx Board of Directors is a strong group with professional and corporate experience focused on implementing an integrated, modern and efficient regional transit network.
    - The directors represent a broad variety of talents and bring a variety of perspectives and past experiences
    - The Board is well-suited for our post-2009 focus has been on beginning implementation of major capital projects and continued operational excellence for GO Transit

- The Metrolinx Investment Strategy recommends that the Province of Ontario consider adjusting the composition of the Metrolinx Board of Directors, in order to provide municipalities in the Greater Toronto and Hamilton Area with the opportunity to nominate up to six citizen appointees to the Board.
    - Continuously improving the governance of the overall transit and transportation system is an important part of building trust and accountability.
    - Working closely with our municipal partners is integral to delivering transit and transportation projects in the region.

- Metrolinx consults and works closely with all municipalities across the Greater Toronto and Hamilton Area on a regular basis and continues to do so in respect to The Big Move and the Investment Strategy.
    - Municipal transit systems are controlled by the municipalities.
    - 25% of the Investment Strategy will be reserved for local transportation options.

Key Facts:

- 15 members; board currently appointed to full strength
- Geographic and professional diversity (e.g. Richard Koroscil, Hamilton-based transportation exec; Marianne McKenna, Toronto-based architect; Janet Ecker, Durham-based retired politician)
- IS recco is to grow board to 18: 12 provincial, and 6 provincially-appointed based on municipal selection
- Regular board members currently paid a per-diem of $200/day

<u>Anticipated Q & A:</u>

Q. Why didn't Metrolinx recommend a publically accountable Board of Directors comprised of elected officials in their Investment Strategy?
Consistent with the Metrolinx Act which does not allow for the appointment of elected or employed public officials to the board, Metrolinx recognized the need for representation from the municipalities and sought to ensure that potential candidates with professional and corporate experience be nominated from across the region. This allows the municipalities to come together as a group to decided how to select nominees that would subsequently be appointed by the Province.

Q. Wouldn't we less of the confusion and change of direction in planning we've seen in recent years if politicians were kept on the Board?
As staff, we would be reluctant to speculate too deeply into how our overall direction might be different with a different Board composition.

In the case of Toronto, we've certainly seen two consecutive mayors and executive committees with different positions on many key transit question. David Miller and the other representatives from his administration brought a particular perspective and set of priorities to Metrolinx decision-making. I think most observers would agree that if Rob Ford and members of his executive had been on the Metrolinx Board of Directors in a similar fashion, they would have brought that different perspective to us as well.

Q. How much planning occurs between municipalities and Metrolinx?
Metrolinx works very closely with its municipal partners to ensure individual municipalities aspirations are achieved within a broader regional view. We meet regulatly with heads of planning from municipalities across the region, as well as with the heads of transit operating agenies.

Q. What measures has Metrolinx taken to ensure that members of the Board are acting in the best interests of Metrolinx and not their own personal, professional or financial agendas?
Members of Metrolinx's Board of Directors have active careers outside their service to Metrolinx and we are fortunate that they bring their skills and experiences from those parts of their life to improve the quality of our decision-making.

Members are fully aware of the relevant policies on Conflict of Interest and recuse themselves as necessary.

Q. What involvement did Metrolinx have in the past Casino proposals?
Metrolinx, as the regional transportation and transit authority, has both a role and duty to understand any development proposal that may impact the movement of goods and people across our region - the core of our mandate.

Both the Exhibition Place and the Convention Centre development proposals had transit and transportation implications. It was prudent to assess the impact of these plans might have on our system.

Metrolinx staff members met with each proponent to learn about their proposals. The purpose of these meetings was not to help these companies improve their competing pitches, but to understand the proposed transportation implications.

For example, there is a GO station at Exhibition and the Convention Centre site proposed to use the air rights over the Union Station rail corridor. The need to understand the proposals is particularly important from an operational perspective, as well as a transportation system perspective. This is the appropriate and legitimate role for Metrolinx.

Q. What sort of compensation is provided to the Board of Directors? Why has it changed recently?
Members of the Board of Directors work on a part-time basis and in many cases take time away from their existing careers to prepare for and participate in meetings of the Board.

Each member of the Board of Directors is provided with a modest per-diem of $200 per day to at least in part compensate them for this commitment. The vice-chair is provided with a rate of $250 per day.

[NTD: compensation of chair]

Decision-making

Issue
Critics have suggested that decision-making processes for transit expansion are broken and Metrolinx is irrelevant.

Key Messages
- Transit decision-making involves a mixture of technocratic expertise and the approval of democratically-elected officials at various levels of government.
    - Metrolinx uses evidence based decision making and publically shares that work through the Benefits Case Analysis and project prioritization framework.
- All plans must have a certain degree of flexibility to reflect changing public priorities while retaining a long-term focus
    - We strive to ensure consistency with the Big Move Regional Transportation Plan vision.
    - The Big Move is a living document, subject to regular refinement and review
- Metrolinx plays an important role in balancing the goals and visions of each of the 30 municipalities and the overall effectiveness of the Regional system.

Anticipated Questions

Q: Is Metrolinx just taking planning orders from the Minister?
Metrolinx works with all levels of government to deliver The Big Move vision. Metrolinx is committed to evidence based decision making processes like Benefits Case Analyses and Project prioritization frameworks. We have $16B in projects under construction across the GTHA and need to continue invest in our much needed transportation infrastructure. As various proposals are put forward we evaluate their viability and ensure alignment to the long term regional plan.

Q: Why did you just do whatever Toronto council asks for? How do other areas of the region get the same treatment?
Metrolinx continues to be committed to the principle of fairness and equity across our region and works with all of its municipal partners to achieve their transportation goals. We value the input of our municipal partners to provide a local perspective that Metrolinx balances with both a regional perspective and our knowledge of technical best practices.
Furthermore, in some cases we require the legal consent of municipal council before we can build on their roads or relocate their sewers. In that kind of context, seeking the Council approvals is the only prudent course of action available to any public authority.

Q: Isn't Metrolinx in some way responsible for the planning disarray at present?
Metrolinx is successfully implementing $16B of projects, many of which are well underway across the reform. BRT in York Region & Mississauga, TYSSE subway, for crosstown and 200+ projects in the GO network. The Big Move gives our region a 25 year ***regional*** *transportation plan. As the individual project details are flushed out further collaboration is required in order to align Municipal interests with regional transportation needs. Metrolinx continues to work with the 30 municipalities that make up the GTHA to find that balance.*

Relationship with municipal service providers

Issue
Metrolinx uploading all or part of the municipal transit systems is frequently mentioned and has both advocates and detractors.

Audit Working Papers

Key Messages

- We strongly agree that a more integrated system is desirable, but merger/restructuring is not the only path to achieve integration and it may not be the ideal solution for the GTHA.
  - Globally, when we look at other leading city-regions, we see a wide variety of different structures—ranging from a unitary authority running everything (good example is Boston), to more decentralized networks of collaborative players (good example is Zurich).
  - Well-integrated service and poorly-integrated service can be an outcome from any structural model.
- Metrolinx is not currently working towards upload, and any restructuring decision would rest with government.
- Restructuring would not solve the single greatest problem facing the GTHA transportation system today, which is a lack of sustained funding to expand our infrastructure.
  - Suggestions that there are ample cost savings that merger would unlock that might make a substantial dent in The Big Move's costs are misplaced.
- Metrolinx has recently stepped up its efforts to achieve greater fare integration and service coordination across the region
  - Now that we have PRESTO in place, we have the common platform to more easily achieve fare integration
  - A key recommendation of the Investment Strategy was more aggressively moving forward on a Fare Integration and Service Coordination process in collaboration with municipal service providers, which has now kicked off with the goal of delivering concrete results within the next two years.

Key Facts

- 9 municipal service providers in GTHA, not including Mx/divisions
- Range in size from TTC (over 500m trips/year, nearly 3000 vehicles) to Milton Transit (265k trips/year, 10 buses)
- 7/9 MSPs fully on PRESTO, 1/9 MSPs partially on (TTC), 1/9 MSPs not on (Milton Transit). Add GO and OC Transpo for 10 total PRESTO users
- A further 9 transit operators beyond the GTHA connect with GO for a total of 18

Anticipated Questions

Q: All world class cities have a single transportation authority… Why don't we just get rid of Mississauga Transit, Oakville Transit, Burlington Transit, save millions and build subways?

Municipal Service Providers have a very important role to play in the effective delivery of transit across the GTHA. We strongly agree that a more integrated system is desirable, but merger/restructuring is not the only path to achieve integration and it may not be the ideal solution for the GTHA.

Globally, when we look at other leading city-regions, we see a wide variety of different structures—ranging from a unitary authority running everything (good example is Boston), to more decentralized networks of collaborative players (good example is Zurich). Well-integrated service and poorly-integrated service can be an outcome from any structural model.

Metrolinx works to find efficiencies across MSP, such as our very successful transportation purchasing initiative helping municipalities save money by coordinating the purchase of transit vehicles, as well as Presto our integrated fare card system.

Q.The PC Party has proposed uploading the TTC subway system to Metrolinx. Care to comment?

Metrolinx is not currently working towards upload, and any restructuring decision would rest with government.

Q. Why can't I get on GO Transit using a TTC fare and vice versa?

Now that we have PRESTO in place, we have the common platform to more easily achieve fare integration. Presto will be fully rolled out on the TTC by 2016. A key recommendation of the Investment Strategy was more aggressively moving forward on a Fare Integration and Service Coordination process in collaboration with municipal service providers, which has now kicked off with the goal of delivering concrete results within the next two years

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2.1

2012 Sunshine List

Issue:

The number of Metrolinx employees on the Public Sector Salary Disclosure list who earned over $100,000 annually increased from 176 employees in 2011 to 262 employees in 2012. This represents a 49% increase. In 2010, there were 116 employees on the list; in 2009 there were 90 employees on the list.

Key Messages:

- Metrolinx has complied with all provincial legislation regarding wage freezes.
  - Non-bargaining salary ranges have remained the same for the past two years.
  - Last major collective agreement was signed October 2011 with ATU Local 1587

- As of February 28, 2013, Metrolinx has a total of 2,727 employees which means the employees who earned $100,000 represents about 9.6% of our workforce.
  - In 2009, Metrolinx merged with GO Transit and subsequently expanded to include PRESTO and UP Express.
  - Amounts reflected in this list include salary and wages, overtime and premium payments, performance pay and other payouts.
  - If the Sunshine List were inflation-indexed, it would shrink by 80%.

- Metrolinx is embarking on the largest investment in regional transit in the past century, The Big Move, and needs skilled staff to implement the planning, construction and operation.
  - Metrolinx must be able to compete with the private sector in order to draw and retain the best talent available.
  - Metrolinx must be able to attract employees with specialized expertise and strong experience in their fields.

Key Facts

- Number of employees: 2,727. Execs VP rank and above: 17 (0.6%)

Commercially Sensitive Information

- Employees who earned $100,000 represents about 9.6% of our workforce (consistent with percentage in 2011)
- Every 11 years, there is an extra pay period, which adds an additional 3.85% to a person's annual salary, which resulted in an additional 43 employees on the list.

Top 3 Q&A

Q. Why did the number of employees on the list increase nearly 49 per cent from 176 employees in 2011 to 262 employees in 2012?

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Toronto, Ontario, Canada M5J 2W3

There are several factors that contribute to the increase in the number of employees on the list.

- *Half of the additional staff on the list in 2012 (43 of 86) is the direct result of 27 pay periods instead of 26 pay periods.*
  - *The way the system works is that income shows up on T4s the year the pay is deposited. Metrolinx staff had their last pay in 2012 deposited on December 31. Every 11 years, there is an extra pay period, which adds an additional 3.85% to a person's annual salary.*
  - *We do not expect this group of staff to be on the list next year.*

- *Metrolinx has expanded to include the PRESTO and Union Pearson Express operating divisions while we continue to enhance the delivery of public transit services to the Greater Toronto and Hamilton Area. PRESTO has expanded to include the City of Ottawa and Union Pearson Express has been increasing staff as it readies for launch in 2015. Toronto transit projects have also been increasing their staff as they ramp up work to build the LRT projects.*

- *As of February 2013, Metrolinx has a total of 2,727 employees (up from 2,371 employees as of February 2012 – a 15% increase) which means the employees who earned $100,000 only represents about 9.6 per cent of our workforce—which is consistent with the percentage on the list in 2011.*

Q. Fourty-one of the Metrolinx employees on the list, who make over $100,000, have the title "Coach Technician" or Bus driver. Why would these staff be making over $100,000?

There were 27 pay periods in 2012 versus the normal 26 pay periods. The extra pay period resulted in an additional 43 employees on the list – 3 Coach Techs, 14 Bus Drivers and 3 Transit Safety. We do not expect these employees to be on the list next year.

In addition, these positions are examples of employees with a specialized expertise and extensive experience in their fields who require competitive wages in order to compete with the private sector and attract and retain the best talent available.
"Coach Technician" diagnoses, repairs and inspects various types of buses and their related electronic systems. This position involves completing on-the-road service calls and adjusting, repairing or replacing defective mechanical, pneumatic, electrical or hydraulic components, including speciality items such as electronics and accessibility equipment – which are all necessary for GO Transit to be able to safely operate more than 2,300 bus trips for customers each weekday. Metrolinx practices very tight controls on approving and allowing overtime and there are also legislated limits which we abide by.

Metrolinx has a "shared opportunity overtime process" which means that there is a rotating list of employees who submit their names for overtime. Generally, according to *the collective agreement, these employees are prevented from working more than 20 hours of overtime in a week.*

Q. How many Presidents and Vice-Presidents does Metrolinx have? Why does Metrolinx have so many Vice-Presidents?

Metrolinx is a large organization with a large problem to solve for a large region. Counting our three operating divisions, there are nearly 3,000 employees, Commercially Sensitive Information **Commercially Sensitive Information** *We rely on a skilled and appropriately-sized senior management team to oversee the organization and deliver results for the public.*

At this time, Metrolinx has a single President and CEO that oversees the entire organization.

One Executive Vice-President and six Vice Presidents assist him in either directly implementing Metrolinx's massive regional transportation plan – The Big Move – or providing the shared corporate services that permit Metrolinx to deliver on its mandate efficiently and effectively.

In addition, Metrolinx's three operating divisions are providing valuable services directly to the public. Each of them is led by either a President or Executive Vice President. As necessary, skilled Vice Presidents under each area deliver specialized areas such as customer service, operations, infrastructure, etc. There are a total of nine executives associated with our operating arms.

The total senior executive team, counting both the shared Metrolinx resources as well as the operating divisions, is 17.

Q. Mr. McCuaig, your salary has increased from x to y, explain?
A to come.

Q. What sort of salary and benefits have been offered to the new GO Transit president, and how do they compare to his predecessor?
A to come.

Executive Expenses

Issue

Metrolinx from time to time is asked to provide further details about the expense claims of its senior management and justify expenditures.

Key Messages

- Metrolinx holds its employees to a high standard of accountability in ensuring that any expenses are both fairly incurred and reported on.
    - Metrolinx has always followed the rules of the day for claiming travel, meals and hospitality expenses.
- Metrolinx's current policy on the reimbursement of travel, meals and hospitality expenses is based upon the Ontario Public Service's Travel, Meal and Hospitality Expenses Directive.
    - Revised in April 2010, the Travel, Meal and Hospitality Expenses Directive provides expense rules that have been strengthened and simplified for ministries and agencies.
    - The policy establishes rules and principles to ensure fair and reasonable practices in the reimbursement of Metrolinx employees and Board Members for their expenses.
- Expense claim information for expenses claimed beginning April 1, 2010 by Metrolinx senior executives, can be accessed through our website as soon as possible after the claims are reviewed by the Integrity Commissioner.

Anticipated Questions

Q. Why can employees of a public transit agency claim travel expenses, shouldn't they be utilizing the system they are paid to build and promote?
Our employees are heavy users of public transit. Many senior managers, including the entire GO senior management team, use GO Transit every day or almost every day, and the large majority of official staff travel within the City of Toronto is made on the TTC.
However, we are well aware that public transit is not always the most practical option to access all working engagements in all parts of the region, particularly for parts of the 11,000 square km GO service area that lack frequent, fast and convenient public transit options.

Q. Why do employees of a transit agency need to expense any form of hospitality?

Metrolinx employees follow the OPS Travel, Meals and Hospitality Directive, which notes that "Hospitality may be extended an economical and consistent manner when it can facilitate government business; and it is considered desirable as a matter of courtesy or protocol."
Expenses of this nature are incurred relatively infrequently, and pursuant to the directive Metrolinx employees do not extend hospitality to consultants or others doing work for the government, or other public sectors employees covered by the directive.

Q. What spurred the change in allowable expense and reporting?
Metrolinx (and GO Transit before it) formerly maintained its own standalone expense policy. In response to a government-wide direction from the Premier, Metrolinx harmonized its policies with the existing Ontario Public Service directive in November 2009.

Q. Why are some expense claims not published on the Metrolinx website?
Metrolinx follows provincial policy on proactive disclosure, which requires some but not all records to be disclosed proactively. Records need to be reviewed and approved by the Integrity Commissioner of Ontario prior to publication, which means more recent expenses can be unavailable.

Q. What protocols are in place for expenses other than travel, meals and hospitality?
A limited number of items can be expensed that would not fall under the OPS Travel Meals and Hospitality Directive, such as health and safety equipment.
These are subject to internal Metrolinx policies overseen by the accounts payable department.

Metrolinx's use of consultants versus in-house resources

Issue
Despite significant organization growth, Metrolinx continues to make extensive used of consultants and other contractors. Audit Working Papers

Audit Working Papers

Audit Working Papers Certain critics have suggested that this is evidence of wasteful redundancy.

Key Messages

- In addition to internal staff we selectively use outside assistance to deliver our mandated objectives.
    - This is either on account of their specific expertise, or on account of the tremendous volume of work required given the number of construction projects, launch of new transit services such as PRESTO, UP Express, Eglinton Crosstown and GO expansion as well as the significant ridership increase

- Metrolinx is committed to accountability, careful use of taxpayers' money and to ensuring adequate financial and accounting procedures and rules are in place throughout all of its programs and services.

- Metrolinx conforms to the Ontario Ontario government's procurement policies:
    - Goods contracts valued at $25,000 or more and service and construction contracts valued at $100,000 or more must use open competition.
    - Consulting contracts, of any value, must use competitive tendering.

Top 3 Questions

Q How does Metrolinx demonstrate value and return on the investment in consultants?
Metrolinx is committed to accountability, careful use of taxpayers' money and to ensuring adequate financial and accounting procedures and rules are in place throughout all of its programs and services. Consulting contracts, of any value, must use competitive tendering which includes defined outcomes and performance metrics.

Q Does Metrolinx recognize a need to improve in-house resources and if so what are you doing to develop internal expertise?
As an organization Metrolinx continues to grow its employee base and internal expertise in accordance to its human resource plan.

Q With so many staff on the sunshine list why is there a need to get additional resources?
Metrolinx ***selectively*** *uses outside assistance to deliver our mandated objectives. This is either on account of their specific expertise or on account of the tremendous volume of work required given the number of construction projects, launch of new transit services such as PRESTO, UP Express, Eglinton Crosstown and GO expansion as well as the significant ridership increase.*

Labour costs and organizational growth

Issue

Metrolinx has grown dramatically. Official Opposition has identified our growth in salaries for a

Key Messages

Metrolinx's organizational scale is modest compared to the problems we're battling

- $6 billion a year in economic costs, growing to $15 billion if we do nothing.
- Congestion is the number one concern of members of the public in the GTHA.

As Metrolinx does more, it is reflected in our staffing levels.

- We lost over two decades of progress on transit, and the staffing levels from those lost decades simply can't deliver the results the public is demanding.
- In 2009, Metrolinx merged with GO Transit and subsequently expanded to include PRESTO and UP Express.

Commercially Sensitive Information

- xx% of our payroll and yy% of our employee population correspond to service delivery for GO Transit, North America's #1 transit agency amongst those that carry over 20 million passengers a year, according to APTA
- xx% and yy% of our employee population correspond to our new divisions, PRESTO and UP.
- Most of the remainder of Metrolinx's employees perform critical support functions that are necessary for the rest to do their jobs, such as procurement and IT.
- The portions of Metrolinx that are analogous to what it did at creation – the core planning, regional integration, and development functions – remains a relatively modest portion of our overall picture, at xx% of payroll and yy% of employee population.

Metrolinx has been in full compliance with the letter and spirit of the all applicable provincial wage freeze policies.

- Non-bargaining salary ranges have remained the same for the past two years.
- Last major collective agreement was signed October 2011 with ATU Local 1587, which contained salary increase provisions consistent with the provincial policy of the day.

Key Facts

Commercially Sensitive Information

- Labour as percentage of gross budget: xxx

	Capitalized	GO (Op budget)	UP & PRESTO (Op budget)	Corporate Services	"Old Mx" Core
Staff pop					
% of total					
Payroll					
% of total					

Anticipated Questions

Q. In 2008 Mx had ___ employees, now there are ______. Astronomical growth!?
Metrolinx in 2008 was a very different organization that had yet to merge with GO Transit or PRESTO, and launch the over $16 billion in investment in Big Move projects. portions of Metrolinx that are analogous to what it did at creation – the core planning, regional integration, and development functions – remains a relatively modest portion of our overall picture, at xx% of payroll and yy% of employee population. (refer back to KMs as necc)

Q. Why have salaries kept increasing despite the provincial wage freeze in 2010?
To be written.

Ashish Deb charges

Issue
On October 17, former employee Ashish Deb was charged with by the OPP stemming from activities when he was GO Transit's Manager of Network Engineering.

Key Messages

Once irregularities were identified, Metrolinx took action:
- Mr. Deb was dismissed with cause in 2009 when irregularities were identified.
- Metrolinx referred the matter to the OPP.
- Metrolinx has cooperated fully with the OPP as they conducted their investigation.

The OPP is best positioned to respond to questions about the investigation and charges.
- As the matter is before the courts, it would be inappropriate for Metrolinx to comment further.

Key Facts
- Deb was hired by GO Transit in 2006 and dismissed shortly after the Metrolinx merger in 2009
- The OPP have stated the alleged offences that are subject to the charges occurred between July 2006 and October 2007
- OPP have charged Deb with four counts of secret commissions, and four counts of breach of trust

Anticipated Questions

Q. Is Metrolinx out any money? Is it still doing business with any of the vendors who paid commissions to Mr. Deb?
As the matter is before the courts, it would be inappropriate for Metrolinx to comment further.

Metrolinx's use of marketing, advertising & sponsorship

Issue

Elected official and media outlets have questioned the need for Metrolinx to conduct marketing activities at all. Contracts for consultants that have supported strategic communications efforts have been released.

Key Messages

- Communicating with the public and our customers is extremely important as Metrolinx works to tackle congestion and oversee the largest transit investment in North America – a $16 billion investment.
  - Metrolinx is dedicated to consulting with local residents, businesses, municipalities and other stakeholders about future transit and transportation projects because it helps deliver projects that better serve people and communities.
  - In our recent public consultation, we heard repeatedly from members of the public that there was more work we could do to improve awareness and understanding of our progress on current projects.

- In addition to internal staff we selectively use outside assistance to deliver our communications objectives
  - This is either on account of their specific expertise or on account of the tremendous volume of communications materials required given the number of construction projects, launch of new transit services such as PRESTO, UP Express, Eglinton Crosstown and GO expansion as well as the significant ridership increase

- Metrolinx is committed to accountability, careful use of taxpayers' money and to ensuring adequate financial and accounting procedures and rules are in place throughout all of its programs and services.
  - Outside communications and marketing assistance represents less than 1% of our operating budget.
  - Our advertising is vetted through the provincial ARB process to ensure it is objective, in the public interest, and procured fairly.

Key Facts

Commercially Sensitive Information

Anticipated Questions

Commercially Sensitive Information

Q: Shouldn't Metrolinx be focused on building transit rather than wasting money telling us about it?

Communicating with the public and our customers is extremely important as Metrolinx works to tackle congestion and oversee the largest transit investment in North America – a $16 billion investment. In our recent public consultation, we heard repeatedly from members of the public that there was more work we could do to improve awareness and understanding of our progress on current projects.

Q. How does spending millions on advertising are get the region any closer to more transit?

In our recent public consultation, we heard repeatedly from members of the public that there was more work we could do to improve awareness and understanding of our progress on current projects. The public understands the impacts of congestion at a personal level but do not recognize that there is a plan in place - The Big Move - to help elevate congestion and that work is already under way. Further investment in transportation must be made and advertising is one way to continue help understand the value of that investment.

Q. Both the Investment Strategy Advisory Panel and Metrolinx used high-priced public relations firms for their public consultations on the Investment Strategy. Why couldn't that be done in-house?

Metrolinx did not use a Public Relations firm for its public round tables; we used a specialized public consultation firm to help structure and facilitate those consultations and provide educational materials. Advertising and public relations for those round table consultations were delivered by our in-house team.

In addition to internal staff we selectively use outside assistance to deliver our mandated objectives. This is either on account of their specific expertise, or on account of the tremendous volume of work required given the number of construction projects, launch of new transit services such as PRESTO, UP Express, Eglinton Crosstown and GO expansion as well as the significant ridership increase.

Commercially Sensitive Information

Commercially Sensitive Information

Commercially Sensitive Information

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3.2

GO Promotional Partnerships

Issue
In light of media coverage of the Buffalo Bills series and TIFF promotional partnerships, critics have raised concerns about how these were managed and questioned why Metrolinx would ever need to enter into such arrangements to begin with.

Key Messages

- GO Transit selectively and strategically carries out promotions to attract new customers and retain existing ones.
  - GO is not a monopoly; the majority of GO's riders are there by choice and we compete for market share with the private automobile
  - We have a particular interest in growing weekend and off-peak ridership as we transform from just a commuter service to a comprehensive transit option; promotional partnerships are one strategy to attract recreational travellers and maximize the value of existing public investment.
  - GO has had has had promotional partnerships with external organizations such as the ROM, AGO, CNE and others since the early '90s.

- Metrolinx is committed to accountability, careful use of taxpayers' money and to ensuring adequate financial and accounting procedures and rules are in place throughout all of its programs and services.
  - We are always concerned about protecting our good reputation which is why we took steps to strengthen our rules and processes.
  - Major promotional partnerships are always assessed to ensure they provide added value to our customers and are reviewed and vetted by our legal department
  - GO Transit generally engages in cross-promotion that involves no exchange of public money; on only a single occasion [TIFF], we invested financially in a partnership on a trial basis, and that partnership was not renewed the following year.

- In 2011, when the Metrolinx CEO became aware of how the program was being managed, he took immediate action to increase accountability:
  - The CEO asked for an internal audit and implemented all recommendations.
  - Since 2011, all tickets are declined, not used, donated to charity or used to raise funds for charity, and tickets are tracked

Key Facts

- **About two-thirds** of GO Transit riders tell us they could be driving themselves to work but instead they're choosing to take GO
- As our ridership has grown, this choice segment has become a larger and larger proportion

Commercially Sensitive Information

Commercially Sensitive Information

__Top 3 Questions__

Q: Why does a monopoly like you engage in this type of sponsorship marketing?
GO is not really a monopoly – the majority of GO's riders are there by choice and we compete for market share with the private automobile. With that in mind, we selectively and strategically carry out promotions to attract new customers and retain existing ones. GO has had has had promotional partnerships with external organizations such as the ROM, AGO, CNE and others since the early '90s.

We have a particular interest in growing weekend and off-peak ridership as GO transforms from a commuter service to a comprehensive transit option. Promotional partnerships are one strategy to attract recreational travellers and maximize the value of the public investment already directed into our services.

Q: Why was the memo FOIed by the Sun "heavily redacted"?
We take FOI requests seriously and fully comply with the rules under FIPPA, which require appropriate disclosure but also require redaction of materials not responsive to the request as submitted.

Q: How did Metrolinx allow the execution of unsigned contracts?
In 2011, when the Metrolinx CEO became aware of how the program was being managed, he took immediate action to increase accountability. The CEO asked for an internal audit and implemented all recommendations.

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4.1

Evidence of progress on The Big Move (Baseline Monitoring Report)

Issue

The Big Move Baseline Monitoring Framework was accepted by the Board on September 10th and posted online to demonstrate progress measures on The Big Move.

Key Messages

- **In five years, the region has made significant progress on implementing *The Big Move.***
  - Activity has started across the GTHA on over half of the 92 Priority Actions and Supporting Policies identified in the plan. This collective work is spread across all ten strategies, and all nine Big Moves have work underway.
  - There has been significant advancement made in building the regional rapid transit network, with many First Wave projects funded and under construction, and planning work for Next Wave projects underway.

- ***The Big Move Baseline Monitoring Report* is an essential step to understanding the progress that Metrolinx and its regional delivery partners have made in implementing *The Big Move.***
  - Key Performance Indicators (KPIs) have been developed, through extensive stakeholder consultation, that we can use over the long term to measure the region's progress on implementing The Big Move.
  - Information collected provides a foundation for the legislative review of the regional transportation plan, anticipated to be published in 2016

- ***The Big Move Baseline Monitoring Report* reflects Metrolinx's commitment to transparency and accountability.**
  - During outreach on the Investment Strategy, the public indicated that accountability and transparency are a priority, confirming the importance of one of The Big Move's goals of fairness and transparency.
  - We need to understand how we're doing, and set the baseline, so we can continually improve and measure the region's progress in an efficient, accountable and transparent way.
  - The Baseline Monitoring Report is the first record of how, five years following its approval, Metrolinx will track implementation of The Big Move, and records activity already underway by all delivery partners.
  - Progress on implementing The Big Move will continue to be reported periodically.

Key Facts

20 Bay Street, Suite 600
Toronto, Ontario, Canada M5J 2W3

20, rue Bay, bureau 600
Toronto, Ontario, Canada M5J 2W3

- 92 Priority Actions and Supporting Policies were identified in The Big Move in 2008 and more than half are now well underway
- First ever Urban Freight Forum for the GTHA bringing together government and industry
- Over 300 employers with nearly ¾ million employees enrolled in Smart Commute
- First Wave is largest transit build in Canadian history, correcting a generation of underinvestment

Anticipated Questions

Q. The Government of Ontario has spent or committed to spending $16B of tax payer dollars – can Metrolinx demonstrate that these projects are on time and on budget?
Recently Viva BRT lanes were opened in York Region, the final connecting spur was put in place on the UP Express track finally connecting Pearson International Airport to Union Station, and a second boring machine began tunnelling on the Crosstown.Great progress is being made across the GTHA. We are on time and on budget and committed to transparent reporting of our progress.

Q How much of The Big Move is actually going to be completed – is it really a 25 year – $50B plan?
The completion of the Next Wave of projects is anticipated within 20 years of the start of construction, with early results within the first ten years. Detailed roll-out of projects is subject to a number of considerations including project state-of-readiness, size of project, staging with other projects, and the Metrolinx Prioritization framework. The timeline for completing all other Big Move remaining projects is dependent on funding beyond the currently proposed Investment Strategy. $50B represents early planning estimates.

Q Would we be further along on the Big Move if Metrolinx did not change its plans for Toronto?
Our plan is not static it needs to evolve as the region evolves and this includes refining and adjusting projects as more information becomes available. If and when there are adjustments it will need to go through public input, municipal consultation and analysis, before they are considered by the Metrolinx Board of Directors.

The important point at this stage is that we move forward. GTHA residents and businesses are suffering every day due to gridlock and it's getting worse. They want us to move forward and we think now is the time to do that based on the high volumes of public consultation and municipal cooperation that have taken place. These projects take time to build and people overwhelmingly want us to get started now.

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4.2

The Big Move total cost

Issue
There has been suggestion that the Big Move's estimated cost of $50 million is inaccurate.

Key Messages

Metrolinx is continually updating its costing and expects to continue to do so.

- Transforming our transportation network in the GTHA is a lot like renovating an old house. You start with high-level estimates, and as we move through assessments and delivery, we get to harder numbers. Anyone who's gone through a renovation like that knows what I'm talking about
- As part of our Investment Strategy, we drew upon more recent design work for all the Next Wave projects to arrive at our estimates, which we're now quoting in 2014 dollars.

When *The Big Move* was published in 2008, Metrolinx produced the best possible planning estimate for the new rapid transit network contained in it, which we identified as $50 billion in 2008 dollars.

That number's always been subject to a couple of important provisos which we've been quite clear about:

- In November 2008, we couldn't know—and still don't know—what year each project would be built in, so that estimate in 2008 dollars was never intended to be the final cost in the dollar-value of the year that expenditure would eventually occur.
- The figure only included capital costs of rapid transit projects that had yet to be funded. It did not include capital costs of projects with existing funding commitments in 2008 (i.e. the Spadina subway extension, Mississauga Transitway) or the highway projects listed in the plan.
- This figure did not include life cycle costs or operating costs.

Anticipated Questions
Q. How much will the Big Move really cost?
Transforming our transportation network in the GTHA is a lot like renovating an old house. $50 billion was a planning number developed in 2008. As we move through assessments and delivery, we get to harder numbers, so that will change. Anyone who's gone through a renovation like that knows what I'm talking about

When The Big Move was published in 2008, Metrolinx produced the best possible estimate for the new rapid transit network contained in it, which we identified as $50 *billion in 2008 dollars. That number's always been subject to a couple of important provisos which we've been quite clear about.*

In November 2008, we couldn't know—and still don't know—what year each project would be built in, so that estimate in 2008 dollars was never intended to be the final cost in the dollar-value of the year that expenditure would eventually occur.

The $50 billion figure included capital costs of rapid transit projects that had yet to be funded. It did not include capital costs of projects with existing funding commitments in 2008 (i.e. the Spadina subway extension, Mississauga Transitway) or the highway projects listed in the plan. The figure did not include life cycle costs or operating costs.

Metrolinx is continually updating its costing and expects to continue to do so. As part of our Investment Strategy, we drew upon more recent design work for all the Next Wave projects to arrive at our estimates, which we're now quoting in 2014 dollars.

Q. If you say you've spent $16 billion, and the Next Wave is $34 billion, then why isn't The Big Move fully built when you're finished?
It's actually a pure coincidence that the numbers fit together like that. The numbers are apples and oranges.

Both the $16 billion First Wave and $34 billion Next Wave figures include costs that weren't counted in the original $50 billion total from 2008 that you're referring to:

- *For example, the $16 billion First Wave includes some projects that were listed in The Big Move but never had their costs counted in the $50 billion figure, because either the funding had already been committed in 2008 or they fell outside the definition of the new rapid transit network. Examples are the Spadina subway extension, the Mississauga Transitway and Union Station revitalization.*

- *The Next Wave figures we've released include other costs, such as life-cycle costs and operating and maintenance costs, that weren't included in the $50 billion 2008 figure. The Next Wave also includes a 25% contribution to local transportation, regional highways, and other initiatives that generally weren't included in the $50 billion 2008 figure.*

Finally, it's worth remembering that the numbers are in all sorts of different years of expenditure and can't really be added together. The $50 billion is in 2008 dollars, the $16 billion is in dollars from a variety of years, and the $34 billion is in 2014 dollars.

Project Prioritization / Selection

Issue: Municipalities, stakeholders and elected officials are asking for greater clarity on how the projects are evaluated and selected.

Key Messages:

- The Big Move's Next Wave of Investment will continue Metrolinx's transformation of the region's transportation system by expanding the regional transit network as well as providing resources for local transit, roads, active transportation and more.

- All projects deliver The Big Move vision and Goals through a comprehensive planning process.
  - **Regional Significance –** important part of the process was identifying transit projects that made a significant contribution to a regional network, based on key criteria
  - **Network concepts tested** - modelling and analysis of three concepts to understand the performance of individual projects and their contribution to the overall system. Recommended regional rapid transit network then further modelled to determine individual and system wide performance.
  - **Municipal and Stakeholder Aspirations –** extensive consultation with municipalities and stakeholders enabled Metrolinx to compare options with municipally-developed transit plans and priorities, explore linkages and identify key origins and destinations, to provide a strong link between the regional rapid transit network and local visions and aspirations.

- Metrolinx has established evidence-based planning and project development processes that continually improve
  - **Cost-Benefit Analysis**
    - Metrolinx conducts Benefits Case Analyses (BCAs) on all projects
    - BCAs compare the value of several alternatives based on five *accounts*:
      - Financial Costs
      - Transportation User Benefits
      - Economic Benefits
      - Environmental Benefits
      - Social Benefits
  - **Prioritization**
    - Methodology for evaluating Next Wave projects awaiting funding decisions
    - Prioritization framework is based on the Metrolinx triple bottom line, as well as the overall goals and objectives of The Big Move
  - **Continuous Improvement for the Future:**
    - By expanding the breadth and depth of information and research, Metrolinx will achieve more continuous and dynamic investment information availability

Anticipated Q & A:

Q. How was Next Wave of projects selected?
Together, the Next Wave projects would strengthen the regional network, further connecting various parts of the region, by optimizing the efficiency of the network and creating a whole that is greater than the sum of its parts. The Next Wave rapid transit projects have been planned in cooperation with municipalities to address their transit needs, as well as the needs of the region as a whole and represent the next phase of implementation of the Big Move priority projects designated in 2008.

Q. How was the First Wave of projects selected?
The First Wave of projects were designated based on their ability to strengthen transit and transportation in the GTHA by:

- *Improving regional connectivity, substantially increasing capacity in key corridors; and*
- *Bringing new rapid transit services to underserved areas throughout the region.*

Projects were selected using a number of criteria such as, state of project readiness, and ability to deliver results in a short period of time (quick wins) and alignment with the Big Move project prioritization.

Projects are under way across the GTHA - on time, on budget - transforming transportation across the region.

Q: How much weight do these reports have on the final decision about what is or is not built?
There are a variety of factors that decision makers must take into consideration, including the preferences of the local community, and the terms of funding which other entities may control. These reports use financial and economic information to inform return on investment and long-term value of a transit project.

Decision-makers are provided the results of the BCA to inform their next steps decision for the project in amongst other criteria that could be less quantifiable. The information is provided to ensure that the decision-makers have all the perspectives they need to provide well informed project direction.

The Investment Strategy recommends that Metrolinx expand upon the capacity to undertake world-leading evidence-based project evaluation and selection processes for the delivery of transportation projects, leading to a more informed decision-making process.

These kinds of reports are exactly that – evidence-based project evaluation and they inform selection of transportation projects for delivery.

Q: How does Metrolinx address concerns that some projects in the Next Wave are not the right projects?

The location of the Next Wave of investments strikes a fair balance. The Investment Strategy accomplishes this objectively with the "416" area code in the City of Toronto contributing 41 percent of the overall revenue generated by the investment tools, and receiving 42 percent of the Next Wave project funds. The "905" area code outside of Toronto contributes 59 percent of overall revenues and receives 58 per cent of project funds.

Proposed projects provide new inter-regional services for emerging trips patterns currently unattractive on transit due to double fares, transfers and slow service. Proposed projects provide opportunities for new, transit-oriented development.

Q. What is timeline for these projects?

The completion of the Next Wave of projects is anticipated within 20 years of the start of construction, with early results within the first ten years. Detailed roll-out of projects is subject to a number of considerations including project state-of-readiness, size of project, staging with other projects, and the Metrolinx Prioritization framework. The timeline for completing all other Big Move remaining projects is dependent on funding beyond the currently proposed Investment Strategy.

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4.4

Construction costs

Issue
It has been commonly suggested the GTHA systematically overpays for transit infrastructure on a per-unit basis compared to other leading global cities, and that this means Metrolinx's cost estimates are unduly expensive.

Key Messages

Comparing per-unit costs for transit projects between different jurisdictions or across different eras is generally not advisable.

- Cities can have vastly different materials costs, construction labour costs, design standards and environmental standards, while factors like underlying geology can greatly affect the per-km cost of tunnelling.
- For one example, a single factor like changes to fire codes over time (ie expectations of how wide a platform must be and how many exits must be provided) have dramatically increased the costs of a subway stations.

If one wishes, one can also find jurisdictions that are more expensive than the GTHA, but we shouldn't laud ourselves because of the aforementioned factors:

- Toronto is currently building a subway at roughly $300m/km, compared to New York at $1 billion/km

Metrolinx is committed to ensuring the per-unit costs of transit expansion are brought as low as practical in the Ontario context.

- We recognize that every dollar saved allows us to build more transit elsewhere.
- We've closely investigated how other jurisdictions have lowered per-unit costs of their major projects, such as Spain.
- While some international savings drivers—such as the removal of environmental assessments or use of imported low-wage labour—are not viable or advisable strategies for Ontario, other lessons are.
- We're making use of AFP where appropriate to bring overall costs as low as the private sector believes is commercially viable and transfer away cost overrun risk to the private sector.
- We're using business case analysis for our projects early in the design process to ensure we are proposing the most cost-effective technology that maximizes ROI.

Anticipated Questions

Q. In _______, they built __ km of subway for $_________. Why is Metrolinx so wasteful?
(KMs top to bottom)

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5.1

Need for new revenue vs. changing provincial spending priorities

Issue
Certain critics of the Investment Strategy have suggested that there would be no need for new revenue sources if the remainder of government expenditure were managed differently.

Key Messages
- It is not for Metrolinx to say what the appropriate level of spending on government programs like health and education should be, or what the appropriate level of general taxation should be to fund them.

- Regardless of what levels of taxation and spending are desired for provincial general revenues, there are strong advantages for paying for the GTHA's transportation infrastructure through a standalone trust funded by dedicated revenue tools:
  - Dedicated revenue streams for transportation infrastructure are the norm in leading global city-regions. We are unique amongst our peers for not adopting this approach.
  - The status quo is not working --- we've fallen well behind our peers over the past quarter century in part because transportation infrastructure spending is mixed in with the general annual budgetary cycle and decided on a project-by-project stop-start basis.
  - Transportation infrastructure has implementation timelines that span many years from planning to completion; it benefits greatly from insulation from annual competition with other public spending priorities.
  - The concept of dedication was the most resoundingly endorsed principle we heard from our public consultation.

- There are some specific benefits that new Metrolinx-specific revenue generation can deliver that existing general revenues cannot:
  - Dedicated tools allow for regionalized contribution and expediture, building confidence that GTHA taxpayers are paying for GTHA projects. Funding GTHA transit only through general revenues can prompt concerns in Sudbury and Windsor.
  - Dedicated tools can allow for a fairer balancing of costs on those who benefit the most from transportation system. Existing provincial taxes are largely what we call "everyone pays" tools.
  - Dedicated tools allow for other public policy benefits (ie gas taxes reducing congestion, parking levy improving land use) not possible from existing general revenues.

Key Facts

- Total provincial spending on transportation infrastructure from general revenue already at a record, **more than quintupled since 1990** (at **$6.3 bn** for FY13-14, **$1.2bn** in 1990)
- Total provincial spending on transit infrastructure from general revenues for FY13-14: **$3.4 bn**.
- Total provincial spending on highway/other transportation infrastructure from general revenues for FY13-14: **$2.9 bn** (NB: still a record, and **triple 1990 levels**).
- Metrolinx did a very detailed analysis of 15 peer cities, from a broad diversity of countries with different political and transportation cultures. Number without revenue tools – **0**.

Anticipated Questions

Q. Why does the government need to add new tax measures when there are a number of examples of mismanaged programs and scandals that have needless spending where the funding could be reallocated; Full-day kindergarten, Green Energy tarrifs, ORNGE etc.?
We understand that around this table there is certainly some disagreement on what the provincial budget should look like. While we know and appreciate there's a strong interest in transportation investment across all parties, I think you'd agree that amongst your colleagues there are also a mixture of interest in potentially reducing taxes, reducing debt, or making new investments in other sectors.

It is not for Metrolinx to recommend what the appropriate level of spending on other government programs should be, or what the appropriate level of general taxation should be to fund them.

A major difference between the GTHA and other leading global city-regions who have been more successful in building transportation systems is that they are not been as reliant as we are on transfers from the general treasury. That's informed Metrolinx's recommendations that a significant portion of our ongoing funding be both collected and expended in a dedicated fashion for transportation infrastructure. We think the best way to solve this problem for the GTHA for the long term is a fresh funding paradigm with a Trust, rather than to try and battle every year for a larger slice of the annual provincial budget.

Q. In the 60s and 70s we managed to build subways and 400 series highways without revenue tools. We did it then, why can't we do it now.
A lot has changed since then. Certainly, the proportion of its budget the Province spends on health and education has grown significantly, and I think it's fair to say that's reflected public priorities.

There are some specific benefits that new Metrolinx-specific revenue generation can deliver that existing general revenues cannot:

- *Dedicated tools allow for regionalized contribution and expediture, building confidence that GTHA taxpayers are paying for GTHA projects. Funding GTHA transit only through general revenues can prompt concerns in Sudbury and Windsor.*
- *Dedicated tools can allow for a fairer balancing of costs on those who benefit the most from transportation system. Existing provincial taxes are largely what we call "everyone pays" tools.*
- *Dedicated tools allow for other public policy benefits (ie gas taxes reducing congestion, parking levy improving land use) not possible from existing general revenues.*

Q How has Metrolinx proved it can responsibly manage the scale of revenues that will be generated when it can't come to a major investment decision in Toronto?
The dedication of the revenue and a creation of a trust fund are important vehicles to demonstrate to the people of the GTHA that they can be assured that funding for transit and transportation would be specifically dedicated to these transit and transportation projects; is shielded from the year-to-year pressures of budgeting
The recommended tools will be reviewed at least every 10 years to confirm that it continues to be effective. In addition, the Investment Strategy will be comprehensively reviewed after 20 years and subject to reauthorization.
The Trust provides the ability to count on the plan being completed.

The Role of the Federal Government / The National Transit Strategy

Issue

Certain critics of the Investment Strategy have suggested that there would be no need for new revenue sources if there was a National Transit Strategy

Key Messages

- The federal government should also have an ongoing role in supporting urban transportation systems.

- In the event the federal government provides additional funding to transit and transportation, the Next Wave program can be delivered in a shorter span of time or additional projects from The Big Move can be brought forward, or improvements can be made in the state-of-good-repair of existing services, or the funding needed to be generated from the investment tools could be reduced.

- All of Canada's communities contribute to our national economy and national life. But the growth of the nation's urban regions like the GTHA creates regional costs, especially transit and transportation costs. Addressing these costs is essential to keep our cities running as dependable engines of the national economy

- In Canada, federal infrastructure funding to provinces, territories and municipalities has been increasing, since 2000, from less than $1 billion a year to a peak of $8.2 billion in 2010. As a point of comparison, however, in that same year, over $20.2 billion was invested in municipal infrastructure in Ontario alone according to a 2012 report by the Province of Ontario. So while the increased investment by the federal government in infrastructure is welcomed, it represents a relatively small proportion of overall needs.

Key Facts

- If the Next Wave project were implemented...
  - **$110 billion to $130 billion** in growth to Ontario's GDP
  - **800-900 thousand person-years** of construction and long term employment
  - resulting in **$25 to $30 billion** new tax revenues, including **$12 billion** for the federal government.
- In 2011, for every $1 the province has invested in GTHA transit infrastructure, the federal government invested **13 cents**
- Even adding the new $660m commitment for the Scarborough subway, the federal commitment to the First Wave ($16b+ of priority projects incl. subway) is roughly the same: for $1 the province has either spent or committed, the federal government will have put forward **14 cents**.

Anticipated Questions

Q. Did Metrolinx support the Bill C-305 (Olivia Chow's National Transit Strategy)?
We welcome any discussion on a long term, stable federal funding. We maintain an open dialogue with our partners at all three levels of government. A joint submission made by Metrolinx and the regional transportation authorities in Montreal and Vancouver to the federal government is included in the Investment Strategy Appendix.

Q. What is your response to Finance Minister Jim Flaherty suggestion that he would not tolerate an increase to the HST?
Given the Investment Strategy report is now in the hands of government it would be more appropriate to defer questions to the government for response

Q. The Federal government just committed an additional $660M for a Scarborough Subway, doesn't this demonstrate a willingness to make transportation investments?

In Canada, federal infrastructure funding to provinces, territories and municipalities has been increasing, since 2000, from less than $1 billion a year to a peak of $8.2 billion in 2010. As a point of comparison, however, in that same year, over $20.2 billion was invested in municipal infrastructure in Ontario alone according to a 2012 report by the Province of Ontario. So while the increased investment by the federal government in infrastructure is welcomed, it represents a relatively small proportion of overall needs.

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5.3

Provincial-wide vs GTHA-cordoned application of tools

Issue

There has been widespread confusion as to whether dedicated investment tools would be applied to areas beyond the GTHA, and some undue concern that boundary effects would have major negative impacts on local economies. Minister Flaherty's letter re: HST application has prompted further misperception.

Key Messages

- Our report is unambiguous on this subject: we do not believe non-GTHA residents should be asked to pay for GTHA projects through dedicated investment tools.

- Metrolinx took care to select tools that could be applied to a regionally-cordoned area without creating significant "boundary effects" that would cause economic distortions and revenue leakage; each of the four main tools we have recommended have been successfully applied on a regional basis in leading city-regions around the world:
  - Regional sales taxes are commonplace in the U.S., and our research indicates that so long as the incremental differences in rates across boundaries are modest—such as the 1% we recommended—there will be minimal impacts on consumer behaviour.
  - Regional gas taxes are commonplace, even in Canada, where Montreal and Vancouver already have them. We're recommending a 5 c/L rate, less than one-third of Vancouver's 17c/L.
  - Regional parking levies are found in Montreal, Australia and the UK.
  - Development charges already vary dramatically between different municipalities in the GTHA.

- On the HST specifically, our report noted that administrative considerations with the federal government might necessitate the Province to pursue a Province-wide increase; Metrolinx explicitly recommended that in these circumstances, potential revenues collected outside the GTHA should stay outside the GTHA.

Key Facts

- 5 c/L rate proposed regional gas tax, less than one-third of Vancouver's 17c/L.
- Montreal and Vancouver already have regional gas tax.
- 97%+ of all trips generated in the GTHA stay within the GTHA boundary area.

Anticipated Questions

Q. What is your response to Finance Minister Jim Flaherty suggestion that he would not tolerate an increase to the HST?

Our report noted that administrative considerations with the federal government might necessitate the Province to pursue a Province-wide increase; Metrolinx explicitly *recommended that in these circumstances, potential revenues collected outside the GTHA should stay outside the GTHA.*

Given the Investment Strategy report is now in the hands of government it would be more appropriate to defer questions to the government for response.

Q Why should __________ pay for transit in downtown Toronto?
The Metrolinx mandate applies to the Greater Toronto and Hamilton Area (GTHA) and therefore it is assumed that only revenues raised in the Greater Toronto and Hamilton Area from new tools will go to funding projects and programs in the GTHA.

Q. Won't everyone in my GTHA community stop buying gas locally and drive to _________?
Our research doesn't foresee this being a major issue in the GTHA.

Regional gas taxes are commonplace, even in Canada, where Montreal and Vancouver already have them. These cities have managed these issues. We're recommending a 5 c/L rate, less than one-third of Vancouver's 17c/L

Indeed, the GTHA is actually better-suited to successfully use this tool than Vancouver because they also have to deal with leakage to a low-cost gasoline option in Washington State, which is geographically far closer than the GTHA is to Buffalo.

According to regional travel data, more than 97 per cent of all trips generated in the GTHA stay within the GTHA boundary area. A minor shifting to fuel purchases to outside the region might be expected, but would likely be insignificant.

Selecting The *Right* Tools.

n.b. see http://www.bigmove.ca/wp-content/uploads/2013/05/Other-Investment-Tools-Considered1.pdf

Issue:

While some voices have accepted the premise that new revenues will be necessary to build transportation, they have disagreed with Metrolinx's recommendations. A common perspective has been that tools should not impact average consumers and instead be focused on corporate payers; there has also been some specific criticism of individual tools from sectors likeliest to be the most heavily-impacted by them; and some suggestion we inappropriately discounted tools such as personal income taxes or corporate income taxes.

Key Messages:

1) The recommended investment tools were selected based on an extensive process drawing on world-wide experience in designing dedicated funding sources for transit and transportation infrastructure. Metrolinx studied the issue thoroughly, and cast a wide net for input and advice from diverse sources. That included a review of the policies, practices and results of Regional Transportation Agencies (RTAs) around the world, focusing on best practices.

2) Throughout the process of shaping the recommended Investment Strategy to make the Next Wave a reality, the following four principles were applied:

1. THE DEDICATION OF REVENUES TO SPECIFIC OUTCOMES: At all times the public should be able to see exactly what they are paying for and have an assurance that funds are not diverted to other priorities.
2. FAIRNESS: The costs and benefits of the Investment Strategy should be distributed fairly across all population groups. Tools should be selected so that no one group pays too much or benefits too little.
3. EQUITY ACROSS THE REGION: All parts of the region should benefit from the investment in transit and transportation infrastructure. No community should be left behind.
4. ACCOUNTABILITY AND TRANSPARENCY: When implementing the Investment Strategy, tools and project delivery progress should be visible and the results publicly reported on a regular basis, including on how funds are being collected, managed and spent.

3) The four tools recommended would provide the GTHA with a balanced funding package that ensures a direct connection between the people and businesses who use the infrastructure and the people and businesses who pay for it. These tools would have impacts across the broader public sector and the not-for-profit sector.

4) The investment tools would provide stable and long-term sources of funding that matches the long-term impact of the transit and transportation improvements based on five key evaluation criteria to each tool:

- Strong, predictable and durable revenues
- Reasonable cost and ease of implementation
- Price signals to encourage efficient travel choices
- Promotes economic competitiveness
- Promotes social fairness and equality

Anticipated Questions

Q. Why does the recommendation not include Corporate Income Taxes?

A. *Corporate Income Taxes were not selected for the shortlist due to their negative impact on the economy. The AECOM-KPMG report states that implementing a corporate income tax rate increase or new tax category is expected to have significant negative impacts on the productivity and competitiveness of the GTHA region or the Province as companies consider alternative regions for operations and the recognition of their profits. In one simulation using a computable general equilibrium model, an increase in corporate income taxes equivalent to 1% of GDP in revenue terms would entail a 1.94% drop in steady state GDP for Canada as a whole. When applied to the GTHA or even to the province of Ontario, this would imply an even larger negative impact on GDP, because the jurisdiction is smaller and hence, there is more room for firms to reduce their corporate tax exposure by changing the location of economic activity.*

There is the potential for high leakages and economic distortions, given the ease with which corporate entities can shift income out of a particular region. As a result, this revenue tool is likely to generate substantial efficiency losses, even if it entails no incremental capital, operating or administrative costs for implementation.

Q. Why were Personal Income taxes not considered?

Personal Income taxes were not selected for the shortlist due to their negative impact on the economy. The AECOM-KPMG report states Personal Income tax will affect those that are employed or generating income in the GTHA regardless of their use of the transportation network.

The tax has the potential to reduce the competitiveness of businesses in the GTHA due to economic distortions arising from the tax, notably due to the reduction in labour supply, work effort and a relocation of economic activity outside the GTHA. It may also reduce the attractiveness of the GTHA for potential new businesses and investment.

As it is a tax on total income, there will be scope for tax avoidance as some tax payers will move capital or gains recognition out of the GTHA or the province to avoid the tax.

Q. Why were Highway Tolls not considered?

While highway tolls would have benefits in reducing congestion, they would be complex to implement and a significant amount of the revenue generated would be lost to initial capital costs and ongoing operating and maintenance costs. In addition, it may be premature to implement a comprehensive road pricing program in the Greater Toronto and Hamilton Area, pending the development of a more robust regional transit system, so that people across the region have more travel choices to avoid paying highway tolls.

A comprehensive regime of tolling the area's controlled access highways could be re-considered when the Investment Strategy is reviewed in the future, to determine if lower-cost, reliable technology alternatives to implement such a system are available, and if the expansion of the regional transit system has grown sufficiently to give people, *particularly in suburban locations in Toronto and across the surrounding communities, reasonable and viable travel alternatives to driving.*

Q: Why not raise transit fares if transit users are going to see the benefit most?

A transit fare surcharge was not recommended, notwithstanding its common usage around the world as a generator of revenue for transit, as it could discourage transit use, increase road congestion and impose a disproportionate burden on members of lower-income groups, without raising significant revenue. Transit fares are already dedicated to offset transit system operating costs.

5.4a

Pay Parking at Transit Stations

<u>Issue</u>:

There has been recent public, stakeholder, and media dialogue regarding the potential for pay parking at GO Transit Stations, and its implications for the Investment Strategy.

Pay parking at transit stations is recommended as a revenue tool in the Investment Strategy report under the regional parking levy.

<u>Key Messages</u>:

- Pay parking at transit stations is recommended as a revenue tool in the Investment Strategy report, presented to the government on June 1st 2013, under the regional parking levy.
  - A thoughtful and strategically implemented charge for parking at GO Transit locations could, over time, help manage the demand for parking, encourage some transit customers to use other ways to get to transit stations, and provide more assurance of finding parking space for customers who have no other means to access the station.
  - Revenue collected from this source of revenue could be used for improving access to stations by local transit, cycling or walking, and could help to cover the cost of increased service along GO line.
  - Transit agencies like GO Transit and TTC that provide parking for their customers incur the capital and operating costs of building and maintaining these services and recovering a portion through fares. At one point, these costs were insignificant to the transit operator. As the demand for transit has increased and commercial and residential growth has seen land values rise near stations, there has been a move from surface parking to structured parking -- a five-fold increase in costs.

<u>Key Facts</u>

- Approximately 67,000 parking spaces at stations and park&rides, of which 4000 are reserved spaces @ $80/mo
- 60% GO Train riders drive themselves to station and park

Commercially Sensitive Information

<u>Anticipated Questions</u>

Q. Doesn't paying for parking at transit stations discourage people from taking transit and drive up the cost of every trip?

A thoughtful and strategically implemented charge for parking at GO Transit locations could, over time, help manage the demand for parking, encourage some transit customers to use other ways to get to transit stations, and provide more assurance of finding parking space for customers who have no other means to access the station.

Q. If riders start getting charged for parking at the GO, how will that benefit their services?

- *Revenue collected from this source of revenue could be used for improving access to stations by local transit, cycling or walking, and could help to cover the cost of increased service along GO line.*
- *Transit agencies like GO Transit and TTC that provide parking for their customers incur the capital and operating costs of building and maintaining these services and recovering a portion through fares. At one point, these costs were insignificant to the transit operator. As the demand for transit has increased and commercial and residential growth has seen land values rise near stations, there has been a move from surface parking to structured parking -- a five-fold increase in costs.*

Q. If local transit and alternative means are not available what choice to transit riders have but to park at stations?

Revenue collected from 25% of Next Wave investments are identified for municipal support which could include improving access to stations by local transit, cycling or walking, and could help to cover the cost of increased service along GO line.

Project Funding and Fairness

Issue:

There has been recent public, stakeholder, and media dialogue about the relative costs and benefits for various parts of the region and a perception that Toronto receives a disproportional benefit while contributing less than its municipal counterparts.

Key Messages:

- The Big Move builds a regional system to support an integrated regional economy; we all benefit from an effective system (network effect).
- Projects are selected based on evidence based decision making including Benefits Case Analysis and the Project Prioritization Framework
- Metrolinx is committed to the principle of providing equity across the region in the IS:
  - About 41% of funds generated in the "416" area, and 42% of investments made in the "416" area
  - About 59% of funds generated in the "905" area, and 58% of investments made in the "905" area

Key Facts

- 41% of funds generated in the "416"; 42% of investments made in the "416"
- 59% of funds generated in the "905"; 58% of investments made in the "905"
- Parking Levy proposes higher rates charged to areas with higher land values

Anticipated Questions

Q. Toronto has historically received the greatest amount of investment; how does Metrolinx intend to balance this historic deficit?
Metrolinx has a mandate to develop the entire regional transit and transportation infrastructure system to the benefit of all residents of the GTHA. Projects are selected using Benefits Case Analysis

Q. Why should Halton or Durham pay for projects that benefit Toronto?
It can be fairly stated that the Next Wave projects deliver benefits that cross all municipal boundaries. Residents of Hamilton commute to downtown Toronto, downtown Torontonians commute to head offices in Mississauga, Brampton residents commute to jobs north, south, east and west of their city, for example.

The location of the Next Wave of investments strikes a fair balance. The Investment Strategy accomplishes this objectively with the "416" area code in the City of Toronto contributing 41 percent of the overall revenue generated by the investment tools, and *receiving 42 percent of the Next Wave project funds. The "905" area code outside of Toronto contributes 59 percent of overall revenues and receives 58 per cent of project funds.*

Q. How will development charges and the parking levy address the variability of land values and growth across the region?
Metrolinx's Development Charges proposal aims to ensure existing Development Charge assessments do not discount transit needs or limit municipalities without a history of transit services from expanding their systems to accommodate growth. Depending on how it is implemented, the proposed charge could build off the existing variable assessments or they could be a uniform regional charge tied to the congestion impacts of any new development.

Metrolinx's Parking Levy proposal directly addresses the variability of land values across the region by suggesting the levy charge a variable rate, with higher rates charged to areas with higher land values. Land values are often higher near to transit (i.e. downtown Toronto), so despite urban areas often having less business parking spaces than suburban areas, they would pay a greater amount because of their higher land values. This is fair since urban areas also offer more alternatives to driving.

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5.6

The Role of the Advisory Panel

Issue
Critics question the need for the recently appointed Investment Strategy Advisory panel.

Key Messages
- The government announced its intent to convene an advisory panel to review the investment strategy when it was released May 27th; the recent naming of the panel and its Terms of Reference represents the next step in that process
- Metrolinx welcomes the opportunity to share its work
- Public review panels are often part of the normal course of large policy recommendations and implementation

Anticipated Questins

Q. Did Metrolinx not conduct enough public consultations on its recommendations?
Metrolinx undertook significant consultation prior to the release of the Investment Strategy. The work of the advisory panel allows the public the opportunity to respond directly to the recommendations that were put forth.

Q. Is the panel a stall tactic?
It is not the place of Metrolinx to comment on the prerogative of government

Q. If the Advisory Panel disagrees with the Metrolinx recommendations will you be required to rewrite the Investment Strategy?
Metrolinx is working closely with the Advisory Panel and looks forward to their report. We are transforming transportation across the GTHA through our projects and continue to advance the need to invest in transit and transportation.

Q. What are the consequences if we don't make the investment?
Over the course of the next 20 years, 3 million more people – the size of Montreal – will join the ride in the Greater Toronto and Hamilton Area. If nothing is done, commute times could rise to an average of 109 minutes – from 82 minutes today and the cost of congestion, currently estimated @ $6 billion/year, could rise to $15 billion/year.

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6.1

Alternative Financing and Procurement

Issue
Opponents have suggested the use of Alternative Financing and Procurement (AFP) has resulted in project delays, introduces safety risks, increases costs, and reduces public accountability.

Key Messages
- Metrolinx does not have an ideological stance "for" or "against" AFP; it selectively makes use of AFP when the evidence suggests it will deliver practical benefits to the public.
  - Some major projects underway now, such as the Toronto LRT projects, will make use of AFP; others, such as the Georgetown South Project and Mississauga Transitway, do not.
  - The Eglinton Crosstown is following a hybrid model, with the tunnels procured traditionally while the balance will be delivered via AFP.
  - We follow provincial policy with regard to screening projects and identifying good candidates for AFP.

- Infrastructure Ontario has had very positive outcomes on its projects in terms of on-time and on-budget delivery, and Metrolinx believes that—applied to the right projects—we will see similar benefits from AFP in the transit sector.
  - The UP Express Spur/T1 Station is Metrolinx's most-advanced AFP project, and our experience to date has been positive.
  - There are four major rail rapid transit projects active in Canada outside the GTHA—Ottawa LRT, Waterloo LRT, Evergreen line SkyTrain (Vancouver), and Valley line LRT (Edmonton)—and all four are using AFP or that province's equivalent.

- When Metrolinx chooses to use AFP, it does so without compromising on public safety, community relations, public accountability, or opportunity for local workers and companies.
  - The decision to use or not use AFP has no impact on underlying regulations on labour rights, engineering or architectural standards, or requirements for professional certification.
  - All major transit projects, regardless of procurement model, typically involve a combination of largely-local construction labour and highly-specialized technical expertise typically found both locally and around the world.
  - Metrolinx assets delivered via AFP are owned and controlled by the public at all times.

Key Facts
- 4/4 major rail rapid transit expansion projects outside Canada using AFP or that province's equivalent. (see KM)

- IO has completed 20 AFP projects and has 30 more under construction
- Many proponents like the fact that Infrastructure Ontario has a standard Project Agreement and procurement process that is well understood by the contractors and financial institutions.
-

Anticipated Questions

Q. The CDAO has explained exactly how AFP is forcing you to put together huge bundled contracts that limit competition, drive out Canadian firms and raise costs. Why not split these mega-contracts up?

Metrolinx is confident that bundling significant portions of the project together reduces risk, controls cost, and results in better outcomes for the public. Although we expect to award a contract for a large portion of the work to a single consortium, by no means will it be doing all the work. (Refer to list in appendix as necessary).

Value-for-money under the AFP model is maximized by linking project design and construction and the full lifecycle of maintenance under one contract. Including design, construction, finance and maintenance within a singular contract will help ensure that we will attract interest and participation from global leaders in the construction and transportation industries, who in turn will be able to assume financial risk and better manage it than would be the case with a fragmented traditional procurement.

Metrolinx understands that mid-sized general contractors have expressed concerns that the size of the Eglinton Crosstown project excludes their participation. They are looking for ways to create opportunities for to participate in and deliver a portion of the project. While many mid-sized general contractors are interested in doing work on the Eglinton Crosstown, they do not have the capacity to bear all the risks involved in delivering the project.

IO and MX will introduce a new scored section of the RFP designed to encourage ProjectCo to work with non-affiliated general contractors. This section would have three components rewarding use of non-affiliated general contractors, of multiple non-affiliated general contractors, and that these contractors have local knowledge. The submission would be required to identify the general contractors and the scope they will perform.

Q. We're seeing in Windsor how foreign firms are cutting corners and putting public safety at risk. Why are you repeating this mistake with your LRT?

We are committed to working with Infrastructure Ontario to ensure AFP projects contain robust tools to ensure the consortium complies with relevant codes and standards. For instance, where the consortium is required to maintain a highway or other asset in a *safe and reliable condition over the contract term, the province may withhold monthly payments for capital, maintenance and rehabilitation services, if standards are not met.*

All engineering and architecture work developed for Metrolinx and Infrastructure Ontario projects are performed under the professional responsibility of Ontario-licensed engineers and architects. We have Ontario-licensed professional engineers and architects on staff, or as consultants to develop contract requirements, and to review design submittals to make sure contractors meet all of our requirements.

Our projects require compliance to statutes, codes and standards. Based on the applicable law, such as the Professional Engineers Act and Architects Act, an Ontario-licensed professional engineer and architect are required to take responsibility for a project's safety and reliability by putting his or her seal on a project's design and drawings.

Q. The Windsor experience has shown that Infrastructure Ontario is letting errors happen that never would have happened if the people who'd been building highways in the province for generations were administering the contracts. Why are you giving IO the opportunity to repeat these mistakes?

I can't speak closely to the exact arrangements between MTO and IO for the Herb Grey Parkway project, but I want to make clear that under the AFP delivery model proposed for Metrolinx projects, Metrolinx intends to be a very hands-on player in capital delivery

Under the AFP delivery model, Metrolinx owns and controls transit assets and responsible for:

- *Overall scope (inclusion of maintenance, operations, etc.)*
- *Project-Specific Output Specifications (with Consultant team)*
- *Project Budget*
- *With Infrastructure Ontario issue RFQ and RFP*
- *Real Estate Acquisition (with City of Toronto)*
- *Oversee Construction Phase*
- *Quality Assurance*
- *Testing & Commissioning (with Toronto Transit Commission)*
- *Safety Certification and Project Acceptance*

Metrolinx is responsible for quality assurance, and we will work closely with Infrastructure Ontario to deliver these projects safely, as well as on time and on budget. Metrolinx has decades of successful local capital delivery experience, supplemented by an experienced staff with international experience.

Recent events on the Parkway project demonstrated the strength of the AFP project agreement and the types of repercussions that are in place to mitigate any Project Company that does not comply with applicable codes, standards and laws. For example, it's important to note that the Province has not paid anything to the Project Company in Windsor. This is because the AFP model protects the public interest by ensuring that no payment is made to a Project Company until the Province is satisfied with the work and it has been certified by an independent certifier.

Q. In City x, there was a disastrous failure of a P3 that resulted in x, y, z. What makes you think that won't happen here?

I can't speak to the details of your specific example, but here in Ontario we have been able to learn from global practices and put together a very strong set of common rules and procedures that ensure AFP arrangements are viable.

IO has a strong record of delivering projects on time and on budget, with 20 AFP projects and has 30 more under construction

For all upcoming projects including the Eglinton Crosstown, Metrolinx and IO have developed a specific strategy to further augment the strength of the AFP arrangements..

IO will require ProjectCo to commit to abide by the established procurement law in the Province of Ontario, including legal prohibitions on bid-shopping, and respecting the law of bidding and tendering. ProjectCo will need to outline the training, audit and reporting processes they will use to ensure that their organization follows all applicable law, and to confirm this occurred. ProjectCo will also be required to put in place a process to *address complaints from subcontractors or potential subcontractors. Subcontractors on the project would be held to the same standard when procuring suppliers.*

As an additional layer of scrutiny, ProjectCo's executives will be required to certify that their submission has been upheld over the course of construction. This certification significantly increases the responsibility to ensure its procurement practices align with their submission. ProjectCo's lenders will require that ProjectCo has a detailed tracking, reporting and auditing process to ensure that any representations or warranties that ProjectCo makes to IO are accurate.

The proposed approach will reinforce to the market the importance of following Ontario procurement law in the procurement of subcontractors. IO will not intervene in the process or begin to arbitrate disputes between ProjectCos and subcontractors. Subcontractors who feel that they have been mistreated will be able to seek recourse through ProjectCo's defined dispute resolution process, or through mediation or litigation.

Q. In 2011, the TTC sought impartial advice from international experts from APTA, who warned that AFP would lengthen timelines, reduce opportunities for community input, introduce operational safety risks, and may not deliver cost savings . Why did Metrolinx disregard this expert opinion?

Metrolinx is committed to building effective public transit in Toronto, with a focus on on-time and on-budget delivery.

We have identified that for the LRT projects, an AFP model is the best option to deliver those outcomes for the public. The Eglinton Crosstown is following a hybrid model, with the tunnels procured traditionally while the balance will be delivered via AFP.

AFP-like arrangements are common internationally in successful city-regions that are leaders in build transit, and increasingly common in Canada. There are four major rail rapid transit projects active in Canada outside the GTHA—Ottawa LRT, Waterloo LRT, Evergreen line SkyTrain (Vancouver), and Valley line LRT (Edmonton)—and all four are using AFP or that province's equivalent.

Metrolinx does not have an ideological stance "for" or "against" AFP; it selectively makes use of AFP when the evidence suggests it will deliver practical benefits to the public. Some major projects underway now, such as the Toronto LRT projects, will make use of AFP; others, such as the Georgetown South Project and Mississauga Transitway, do not.

Metrolinx, like all provincial ministries and agencies, is required under provincial policy to consider the use of Alternative Financing and Procurement (AFP) and work with Infrastructure Ontario (IO) to determine if there is value-for-money generated by the use of AFP for projects over $50 million in value.

Q. Isn't the Sheppard LRT mostly designed and ready to go, but you delayed it in 2011 by insisting on redoing the design using AFP?

The Environmental Assessment for the Sheppard LRT was approved in early 2009. Construction of the line began in December 2009 at the Agincourt GO Station. The line was expected to open on September 11, 2013.

Construction was halted following the election of Mayor Rob Ford in April 2011, however City Council reinstated the line in March 2012. In June 2012, the Province of Ontario announced that construction of the Sheppard East LRT would resume in 2017. or finish until 2021

With the replacement of the Scarborough RT replacement and conversion to LRT project, Metrolinx is looking at advancing the schedule for the Sheppard LRT.

APPENDIX: LIST OF FIRMS INVOLVED IN CROSSTOWN PROJECT

The Crosstown is a very large capital infrastructure project. It is not being designed or built by just one large company or large consortia:

- Design of the tunnel boring machines, which will tunnel underneath Eglinton from Black Creek to Laird, was done by Hatch Mott MacDonald from Mississauga. The machines are being manufactured in Etobicoke by Caterpillar (formerly Lovat).
- Design of the 10 kilometers of tunnels was also done by Hatch Mott MacDonald. The first tunnel contract for construction now underway west to Yonge Street was awarded to one of 11 pre-qualified construction firms. The successful contractor, Crosstown Tunnel Constructors, is a joint venture of Obayashi Canada, Kenaidan (local firm), Kenny, and Technicore (local firm). The second contract is currently out to tender with 7 pre-qualified contractors approved; many of the tunnelling firms have strong local partners on each team.
- The specifications for the DBFM project are being prepared by a joint venture called 4 Transit. This local joint venture consists of the following Canadian professional engineering firms, MMM Group, Hatch Mott MacDonald and Delcan, all of which are licensed by the Professional Engineers of Ontario and are members of the Consulting Engineers of Ontario. This firm is prohibited from bidding on the future RFP for the balance of Crosstown, so that it will act as Metrolinx's engineer reviewing compliance with contract requirements.
- Construction Management of tunnelling is also being done by 4 Transit. The 4 Transit role is to ensure that the tunnels are built safely and to our engineering specifications.
- Metrolinx tendered the supply of precast segmental concrete liners for the entire length of the tunnel to ensure quality. The tender specifications were prepared by Hatch Mott MacDonald, and the supply contract was awarded to Munro Limited located near Barrie, Ontario.
- Light Rail Vehicles are being supplied by Bombardier Transportation, and while much of the engineering was done in Germany and Austria for this global Canadian company, over 25% of the manufacturing will be done in Ontario and all of the assembly will be done Thunder Bay, Ontario.
- Numerous local professional engineering and architectural consultants were used to develop the Crosstown underground stations and surface stop design concepts that will be used in the Crosstown RFP for the balance of the project implementation. These firms include AECOM, HDR, HMM, IBI, ARUP, URS, and others. Also, Metrolinx and Infrastructure Ontario were receptive to working with the Professional Engineers of Ontario Association to allow these firms to be qualified for work on future consortia for Crosstown on station design and other engineering and architectural work.

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6.2

Unionization of Metrolinx contractors

Issue

Many municipalities, including Toronto, have policies that restrict procurement of capital projects to contractors certified by the Provincial Building & Construction Trades Council of Ontario (certification typically requires the contractor to have a collective agreement with a union affiliated with the Building Trades). Metrolinx is now delivering projects that in other circumstances would have been delivered by municipalities with such policies. These municipal policies have been opposed by the "Merit Ontario" association (representing so-called "open shop" contractors) and the PC Party.

Key Messages

- Metrolinx does not have any requirement or preference for contractors certified by the Building Trades.
    - This has historically been the case with GO Transit dating back decades, likely back to its inception.
- Metrolinx follows a general procurement policy framework set out by the Province's Procurement Directive.
    - This directive contains no requirement or preference for vendors with a unionized workforce.
    - Contracts are awarded to the highest ranked proponents following the evaluation process.
- Private sector workers delivering Metrolinx projects enjoy all the labour protections and rights to organize available under Ontario law; in practice we see projects delivered by both unionized and non-unionized contractors and staff.

Community Benefits

<u>Issue</u>
Development of a Community Benefits Agreement (CBA) for the Crosstown and other Metrolinx projects.

<u>Key Message</u>

- In our recently released Investment Strategy, Mx recommended that it develop and implement strategies for local jobs and training programs to provide community benefits for our projects.
  - Metrolinx will work with local and regional organizations to develop and implement strategies to ensure communities that are hosting the transit facilities realize not just the transportation benefits, but also social and economic benefits from the investment.
  - Although this applies to the "next wave", Mx is applying the same principle to the Crosstown.

- Metrolinx supports the concept of building CBAs into our major infrastructure projects.
  - We have been studying how we might work productively with labour, partners at the province and the city to take advantage of existing workforce training opportunities
  - We are considering pre-apprentice and apprenticeship programs, local workforce development and opportunities for local suppliers, among others.

- We are having productive discussions with the Toronto Community Benefits Network as we work to develop a CBA for the Crosstown.
  - We will continue to discuss what should be contained in a CBA with the Toronto Community Benefits Network, other community stakeholders, and the province, in particular the Ministry of Training, Colleges and Universities who have expertise in workforce development issues.
  - For example, we will ask proposers to support local apprenticeship programs, such as those that have been initiated by the Ontario Building Trades ('Helmets to Hardhats' and 'Hammerheads') and the Carpenter's District Council of Ontario (CHOICE program).
  - Both 'CHOICE' and 'Hammerheads' support construction career opportunities to youth from at risk neighbourhoods. Helmets to Hardhats provides opportunities for individuals looking to transition from military to private sector construction careers
  - Metrolinx is currently sponsoring 15 youth to take part in a Hammerheads class as part of a pilot project on the Georgetown South Project Employment Initiative, partnering with the City of Toronto Employment and Social Services (TESS) division.

Key Facts

- GTS Employment Initiative stats:
    - Attendees at Career Fairs and Hammer Heads Intake session – Over 400
    - GTS corridor residents who have dropped by or called the Toronto Employment Services Career Specialist – Over 110
    - Number of jobs posted – 60
    - Number of candidates selected for interviews – 14
    - Number of hires – 6 contractor + 3 Metrolinx
    - Number of Youth who applied for Hammer Heads Class of 15 – over 90

Top 3 Q & As

Q. Has an agreement been signed?
We are making progress. We have been engaging in productive discussions with the TCBN and other local stakeholders to develop a Community Benefits Agreement for the Crosstown project.

Q. What aspects are being considered as part of the agreement?
We are investigating and discussing a number of commitments, including: pre-apprentice and apprenticeship programs, enhanced job awareness for local residents, workforce development plans, a local supplier fair, contractor performance tracking and an assigned liaison to coordinate the program.

Q. Many of the programs you've talked about are run through the unions. Will you commit to having only union labour? If not, how will you ensure apprenticeships and training?
We look forward to working closely with the unions where appropriate. We are not requiring our contractors to be unionized and will be working with all levels of government to ensure our contractors have access to a broad range of training and workforce development programs.

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7.1

History of LRT timeline and scope adjustment

Issue

Critics have claimed that funding has been cut from the Toronto LRT projects over time, reducing their scope and delaying their implementation. Confusion has arisen over the difference between the scope adjustment in January 2010 and the cash flow adjustment ("5 in 10") a few months later.

Key Messages

- Metrolinx has always been committed to building the Toronto projects as fast as practical conditions permit while ensuring we stay within our budget

- The budget for the Toronto transit projects has been fixed since they were first announced in April 2009 at $8.7 billion (2010$) or $8.15 billion (2008$).
  - This breaks down as $8.4 billion (2010 $) from the province, and $333 million committed to the Sheppard project by the federal government
  - Metrolinx and the government have been very clear that this value has remained constant, and been neither increased or decreased, despite several different proposed modifications to plans over the past few years.
  - Indeed, the funding commitments are inflation-indexed.

- In 2010, we announced that portions of the LRT lines had to be deferred, but this was entirely unrelated to any kind of provincial budget reduction
  - Fixed provincial funding had initially been allocated on the basis of TTC project estimates that the full scope of four LRT lines could be delivered for the committed price
  - In January 2010 the TTC advised that they now were revising their cost estimates for that particular package of lines upwards by almost 30%
  - The provincial contribution was fixed, and the City of Toronto was asked and refused to fund the overrun
  - Accordingly, Metrolinx and the TTC worked together to identify which portions of the LRT lines could be deferred, and we reached consensus in February 2010.

- Later in 2010, and unrelated to the scope issues, the provincial budget required us to adjust cash flows to spread expenditure over more time
  - This was not a cut, merely a re-pacing.
  - As you'll recall, we were facing a major global financial crisis at the time.
  - Additionally, there were real concerns the previous plan may been unreasonably aggressive, as it may have required more construction capacity than was available.
  - Ultimately, this decision has been largely moot because repeated changes in policy from our municipal partners has prompted further timeline challenges

Key Facts

- Budget for the Toronto transit projects fixed at $8.7 billion (2010$) or $8.15 billion (2008$).
- $8.4 billion (2010 $) from the province, and $333 million committed to the Sheppard project by the federal government
- Original TTC cost estimates turned out to be about 30% too low, which prompted scope reduction in February 2010 (not announced until June 2010).
- "5 in 10" shifted $4 billion from years 0-5 to years 5-10, no connection to scope, no overall reduction.

Anticipated Questions

Q. Would we be riding LRT in Toronto now if it wasn't for McGuinty's $4 billion cut to Transit City?

No. There's been considerable confusion on this point over the years and I'd like to review the history. (go through KMs top to bottom)

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7.2

Responding to LRT Criticism

Issue: LRT has been commonly mischaracterised as a "glorified streetcar", including by the Official Opposition, and it has been suggested it creates gridlock and does not offer a sufficiently attractive option to lure people from their cars.

Key Messages

- Metrolinx is not pro/anti-LRT, pro/anti-subway, or pro/anti-bus. We are pro transit
  - We believe that different transit technologies have their place in different contexts.
  - Any rational transit plan for the GTHA will contain a mixture of modes.
  - Choosing the optimal technology can ensure we maximize the quantity and quality of transit Metrolinx can deliver with every dollar.
- LRT is a fast, reliable, comfortable transit technology that is the technically-optimal choice for several corridors in the Greater Toronto and Hamilton Area
  - Metrolinx is building LRT on Eglinton, Sheppard and Finch, and has Next Wave LRTs on Hurontario and across Hamilton. Longer-term, there could be further LRT lines in the region.
  - We have no completed example of a modern LRT system in the GTHA, but they are common in other North American and European cities.
  - LRT is well-suited for suburban built forms where ridership demand will never reach subway levels and road allowances can easily accommodate surface rail.
  - Leading global cities are building light rail systems outside their traditional cores, including Paris, London and Los Angeles.
  - LRT can easily handle Toronto's climate, and very successful LRT implementations exist in cities with worse winters than ours.
- While LRT shares some technological elements in common with the Toronto's current and future streetcars, the service it offers is fundamentally different
  - LRT is a rapid transit service, with up to four times the distance between stops compared to a streetcar, which is a local service
  - Travelling through downtown Toronto in mixed traffic, streetcars can average 12 km/hr. The surface sections of our LRT lines will be almost double that speed, and the tunnelled portion of the Crosstown will be almost triple that speed –the same as the Toronto subway system.
  - The Crosstown will cut some commutes by up to 60%.
  - Surface sections of the LRT will always travel in its own right of way, and intersect cross-streets at comparatively fewer intersections than the St. Clair or Spadina streetcar rights-of-way, where there will be special signal priority measures.
- LRT is not an enemy of the car.
  - Each vehicle will carry three times as many riders as a bus, and take some of those buses out of current traffic.
  - We're not proposing the removal of entire general-purpose traffic lanes in Toronto to build our lines.
  - Globally, LRT has a strong track record of attracting new riders to transit

Key Facts

- Streetcars average 12 km/h downtown. The surface LRT lines will be almost 2X that speed; tunnelled portion of the Crosstown will be almost 3X that speed (the same as the Toronto subway system).
- The Crosstown will cut some commutes by up to 60%.
- A single LRV will carry 3X as many riders as a bus, and a 3-LRV train can carry 9X as many.

Anticipated Questions

Q: Why are you ripping out road lanes and creating more gridlock?
To build the LRT lines as described in the Environmental Assessment, we do not need to remove entire general-purpose traffic lanes. In most cases, we will widen the road to accommodate our trains in a new median.

We are proposing to replace an existing HOV/bus lane on Eglinton East and there will potentially be a few short sections where some adjustments will need to be made, such as at Sheppard and Victoria Park.

The City of Toronto is doing its own land use planning process along these corridors and municipal staff may potentially be proposing additional traffic flow changes in consultation with the community, as is their prerogative. Any such changes are at their initiation, not Metrolinx's, and are not required to accommodate the LRT.

Q: Don't subways last 100 years, and LRTs only 30?
No.

All rail-based systems (subway, LRT, etc.) use similar components: rails, vehicles, tracks, electric propulsion, etc.

We think this claim has its roots in how some projects include tunnels and some don't. A tunnel is expensive and should be designed and built to last a long time.

Experience in Toronto would indicate that tunnels require major restorative investments to maintain their longevity, prior to the 100 years milestone; for example the TTC tunnels on the Yonge line north of Lawrence are undergoing a major overhaul (originally constructed 40 years ago).

Of course, both LRT and subways can be either tunnelled or run on the surface, so we would suggest that a blanket statement saying subways last longer than LRTs is inaccurate.

Q: Don't subways cost less to operate than LRTs, making them cheaper over the longer term?
No. Metrolinx has analyzed this in some depth. Excluding those corridors where demand is so high that it cannot be physically accommodated on an LRT, the operating and maintenance costs for an LRT will generally be lower than an equivalent subway operating at an equivalent level of service.

Q: Is the LRT able to upgrade into a subway in the future?
Globally, conversions from LRT to subway, and subway to LRT have been made; however, the extensive retrofit required would have to be identified in line with the existing maintenance and operating costs, as necessitated by the capacity needs.

Q: Isn't the LRTs the same as the new TTC streetcars? Are the vehicles interchangeable?
No. Although both will be manufactured by Bombardier in Thunder Bay and they share roughly the same dimensions, they are separate fleets of vehicles with different features that reflect the different environments in which they operate.

Before purchasing the vehicles, Metrolinx carefully investigated the option of using a common vehicle for both the existing streetcar network and the new LRT lines, and decided a two-fleet approach made more sense.

The new TTC streetcars operate with a different electrical voltage and a unique track gauge (the distance between the rails). The century-old legacy network of tracks downtown was initially designed for use by horse-drawn cars, so they need some special customizations to climb steeper hills and turn on extra tight curves. Like the existing streetcars, they require loops to change direction.

Metrolinx's new light rail vehicles run on a higher voltage electrical system and use an international standard track. Because we're building our lines to a modern standard with gentler slopes and curves, much of the special customization included in the streetcars has been omitted. Modern LRTs don't use a loop to turn around: like a subway, they change direction by running in reverse using an operator cab at the other end. Finally, our light rail vehicles, unlike streetcars, can be coupled together into trains 90m long and will be equipped with automatic train control so they can run driverlessly in tunnels and other places where they are totally isolated from other objects.

Q: Are the Finch and Sheppard projects safe from cancellation?
Metrolinx is proceeding ahead with the Finch and Sheppard LRT projects. We don't see us deviating from that plan. There is no mandate to review that part of the master agreement and Council has confirmed its support for those projects.

We will be exploring whether there is any possibility these projects can be accelerated in light of cash flow changes prompted by Scarborough changes.

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7.3

Metrolinx vs TTC "expertise" in project delivery

Issue
Certain critics have suggested that Metrolinx's replacement of TTC as the primary delivery agent of the Toronto LRT project replaces a skilled and experienced transit builder with an inexperienced and risky upstart.

Key Messages

- Metrolinx works collaboratively with its local transit partners around the region
  - Every day, Metrolinx staff work closely with their counterparts at organizations like the TTC and York Region Rapid Transit Corporation to deliver new transit projects
  - Metrolinx and the TTC are collaboratively very effectively to prepare PRESTO for rollout.
  - TTC continues to be heavily engaged on the Toronto LRT projects as owner of interchange stations and future operator.
- Metrolinx is not a brand-new organization: through GO we have a heritage of nearly half a century of transit expertise.
  - GO Transit is a truly best-in-class organization, and recently won APTA's award as best large transit system in North America
- Metrolinx is already the largest builder of transit infrastructure in the GTHA by a significant margin
  - Metrolinx's annual capital budget is currently larger than the TTC's, even if one discounts the Toronto LRT projects
  - We are successfully delivering large capital investments for UP Express, Viva, PRESTO as well as GO
  - GO has the largest capital build in its history underway – hundreds of projects, billions of dollars.
- We are proud to have hired some of the world's most outstanding experts to help transform the way the region moves
  - Our workforce contains a mixture of homegrown and international talent.

Key facts

Commercially Sensitive Information

- For FY12-13, GO has just over 300 capital projects with activity

Anticipated Questions
Q. Why did Metrolinx push the TTC out of delivering the LRT projects, when they have the track record and expertise to build rapid transit in Toronto?
The decision was made in 2009 that the Province, through Metrolinx, would own and control the assets it was investing in. During the early stages of the project, Metrolinx

made use of the TTC as our agent, which permitted continuity with the teams that had in many cases begun the early design of the projects.

However, as we got further into implementation it became clear that a revised arrangement was preferable. We developed a new division of responsibilities which was agreed-to when the City of Toronto and TTC signed the Master Agreement with us.

We continue to work together very closely on the project, with the TTC engaged heavily as the future operator, as well as with regard to interchange facilities.

Q. But GO is tiny compared to the TTC. Why do you think you're better suited to get the job done?
We certainly are very aware and respectful of the very important role the TTC plays in moving the large majority of transit riders in the GTHA every day. However, you may not be aware that when it comes to capital investment and project delivery, Metrolinx is already the region's largest transit player by a significant margin, and has been for several years now.

Commercially Sensitive Information

Commercially Sensitive Information *During these last several years, we have very successfully been delivering large capital investments including Viva, UP Express, and of course, GO. GO has the largest capital build in its history underway – hundreds of projects, billions of dollars.*

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7.4

Crosstown: Budget and Construction Impacts

Issue
Some have questioned whether the Crosstown is still on time and on budget, as well as expressing concerns about construction impacts on Eglinton.

Key Messages

- We are on track to deliver this project on time and on budget and the project is scheduled to be in service in 2020. The project will help ease congestion in Toronto and help create thousands of jobs.
  - The contract for the western section of tunneling has already been awarded and is worth about $320 million.
  - The contract for eastern work is currently is the procurement process. We expect the contract will be awarded shortly, following approval by the Metrolinx Board of Directors. (***)
  - In 2010, we announced a $54 million contract with Caterpillar, formerly Lovat Inc. to purchase four tunnel boring machines (TBMs) Eglinton Crosstown.
  - We're also finalizing the Request for Qualifications (RFQ) to retain a shortlist of contractors under the design, build, finance, maintain (DBFM) procurement model by Infrastructure Ontario, along with Metrolinx. We'll then release the RFQ shortlist later this fall.
- One lane of traffic in either direction will be preserved on Eglinton at all times.
  - Buses and general traffic will share these lanes.
  - Pedestrian and bus access to Eglinton West station, including TTC service, will remain open throughout construction
  - Areas of reduced and limited access will be marked accordingly.
  - Our community relations team will keep residents and businesses informed and are working closely with the city on traffic and parking enforcement issues.
- We are planning a "shop local" program to help businesses during the construction period
  - We are developing a tool kit that local businesses and stakeholders can use to sustain the retail business community along Eglinton during construction.
  - Mx has defined several options available to the business community including: signage, business seminars, market research and advertising. Some support and cooperation for street festivals is also available.
  - Each business community may customize the kit for their customers and needs as the works on the Crosstown get underway.

(***)To potentially update -- this contract was approved at the special meeting of the Mx Board on Sept. 30th but has yet to be made public; at this time NR anticipated week of October 28th based on MTO.

Key Facts

- In service in 2020
- Contract for the western tunnel worth $320mil
- $54mil for four tunnel boring machines
- We are trying to maintain 1.5 metre sidewalk widths wherever possible

Anticipated Questions

Q: Eglinton has a lot of small businesses who are going to be affected by this construction. What are you doing to alleviate the pain?

From a physical perspective, we are trying to maintain 1.5 metre sidewalk widths wherever possible to allow pedestrians to easily get in and out of the stores. Dedicated community liaison officers are available to help businesses handle day-to-day issues that are unavoidable with construction.

The Crosstown is moving forward with a tool kit that local businesses and stakeholders can work with in order to sustain the retail business community along Eglinton during construction. Mx has defined several options available to the business community including: signage, business seminars, market research and advertising. Some support and cooperation for street festivals is also available. Each business community may customize the kit for their customers and needs as the works on the Crosstown get underway.

This program is breaking new ground and will continue to evolve over the course of the project.

Q. Why are you moving $320 million out of the Scarborough RT if the Crosstown is on time and on budget?

We are on track to deliver the Eglinton project on time and on budget and the project is scheduled to be in service in 2020. The project will help ease congestion in Toronto and help create thousands of jobs.

When the Scarborough RT conversion was proceeding, Kennedy was intended to be a shared asset for both lines. The $320 million for Kennedy had previously been accounted for in the Scarborough LRT budget. With the decision to place the Scarborough project on hold, Metrolinx moved the station from the Scarborough budget to the Crosstown budget, because the station was still necessary to ensure the Crosstown services can operate.

Q. Are you still planning to close Allen Road for a year?

Metrolinx is no longer pursuing the full year-long closure of Allen Road for an extended period as previously discussed. However, there would still be temporary, short-term closures. We will provide as much advance notice as possible of those closures.

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7.5

Bombardier LRV contract

Issue
Frank Klees has claimed Metrolinx has incurred penalties of $70 million and growing on the Bombardier LRV .

Key Messages

Final letter to Klees and Backgrounder (following pages) received today. Note to be written in alignment with them.

BACKGROUNDER

Background

The Toronto Transit Commission (TTC) originally entered into the arrangements with Bombardier for the supply of new streetcars on June 30, 2009. Also in 2009, Metrolinx retained the expert rail procurement advisory services of LTK Consulting Engineers, one of the world's pre-eminent LRT vehicle procurement consulting firms, to provide advice on the vehicles for the four new Toronto light rail transit (LRT) lines and particularly whether Metrolinx should exercise the TTC's option to negotiate with Bombardier or enter a new, competitive procurement process for the supply of 300 new light rail vehicles (LRVs).

In addition, LTK was asked to provide advice on how to appropriately structure the procurement and what safeguards to build into the process to protect the interests of Metrolinx and the provincial taxpayer.

The option for the supply of the 300 LRVs was transferred from the TTC to Metrolinx on June 10th, 2010 as Metrolinx became responsible for the delivery of the approved LRT program in Toronto. The contract for the supply of 182 light rail vehicles was executed by Metrolinx and Bombardier on June 13, 2010. The original contract amount is $770.4 million, not including HST. The contract also includes an option for an additional 118 light rail vehicles that Metrolinx can purchase at its sole discretion.

LRV Delivery Schedule

At the time of the contract award, municipal Environmental Assessments were complete on the four LRT projects in Toronto. The Sheppard LRT project was scheduled to go into revenue service in mid-2014, with delivery of the LRVs scheduled to begin in mid-2013.

A revised plan for the Toronto Transit Projects was approved by the Province in June 2012 which scheduled the completion of the Sheppard LRT for 2021. When the new program was developed, with the first service projected to launch on the Eglinton Crosstown in 2020, Metrolinx needed to shift the delivery of vehicles to begin in 2017, which required a negotiation with Bombardier. This was achieved in March 2013, which resulted in a net cost to Metrolinx of $3 million.

Contract Mitigation

Metrolinx mitigated the delay by inserting Waterloo LRT vehicles as a substitution for the early Metrolinx deliveries. Waterloo approached Metrolinx because of its requirement for the LRVs and because it knew that Metrolinx had options in its contract with Bombardier.

On July 10, 2013, the Region of Waterloo announced that agreements have been finalized among Waterloo, Metrolinx and Bombardier for the purchase of 14 LRVs to serve Stage 1 of the Waterloo Rapid Transit service, or ION, with an option to purchase an additional 14 LRVs for Stage 2.

Waterloo has not been pressured by Metrolinx to use the Bombardier LRV. Rather, it made a decision that this was the most effective approach.

In addition, Metrolinx made a significant progress payment of $65 million to Bombardier. To be clear, this $65 million progress payment is not a penalty or an additional cost. It is a progress payment within the original value of the contract. □

□

Scarborough LRT Project

With the decision to proceed with a Scarborough subway instead of a Scarborough LRT project, Metrolinx is under contract to purchase 48 LRVs that are not required. As a result, Metrolinx will have to enter another negotiation with Bombardier to reduce the size of the contract. These negotiations have yet to begin.

The City has been advised that we will look to City to reimburse any costs associated with the contract change.

~ October 2013

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October 24, 2013

Mr. Frank Klees, MPP
Newmarket-Aurora
Room 447, Legislative Bldg
Toronto, ON M7A

Re. Metrolinx-Bombardier Contract for the Supply of Light Rail Vehicles

Dear Mr. Klees:

I am writing this letter as an interim response to your request for a copy of the Metrolinx-Bombardier Contract for the Supply of Light Rail Vehicles and to provide you with information in response to the questions and concerns you have raised in the Legislature this week regarding the contract.

Metrolinx is working with Bombardier to release the commercial terms of the contract. However, certain details of the contract, including pricing, are proprietary. We will provide you with contract shortly. In the meantime, I am happy to share with you the key terms of the agreement, as follows:

- Original contract with Bombardier was for 182 light rail vehicles, at a value of $770.4 million, plus HST.
- The first delivery of vehicles was slated for Sheppard in mid 2013, but Metrolinx needed to shift the delivery of vehicles to start in 2017, which resulted in a net cost to Metrolinx of $3 million.
- The delay was mitigated by Metrolinx reaching an agreement with Waterloo for 14 LRT vehicles as a substitution for the early Metrolinx deliveries. Waterloo has not been pressured to use the Bombardier LRVs, but chose to do so after reviewing the alternatives.
- Metrolinx also made a significant progress payment of $65 million to Bombardier. This does not represent a penalty or an additional cost to Metrolinx.
- Metrolinx has another negotiation with Bombardier to complete the order now that all three orders of government and others have expressed their support for a Scarborough subway extension.

I trust this information is helpful for you to understand the Metrolinx-Bombardier Contract for the Supply of Light Rail Vehicles. I would be pleased to answer any additional questions you may have.

Yours truly,

Bruce McCuaig
President and Chief Executive Officer

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8.1

Scarborough LRT vs Subway

Issue

There is ongoing debate and discussion over various proposals for the Scarborough project.

Key Messages

- As Metrolinx indicated in its letter of October 1st, we are prepared to work with the City and the TTC now that Toronto City Council has confirmed its commitment to the extend the Bloor-Danforth Subway.
  - Metrolinx has reconfirmed that $1.48 billion (2010) in provincial funding remains available for the proposed extension.
  - We are not prepared to spend more than this amount because we do not wish to divert funds from other projects covered by the Master Agreement and its total funding commitment of $8.4 billion.
  - Metrolinx requests the City and TTC support Metrolinx in finalizing plans for Kennedy and Eglinton/Yonge stations. Once the final costs of these projects are finalized, Metrolinx will recommend that any net savings to the two budgets be provided to the City/TTC for the Scarborough subway.
- Metrolinx has said consistently that we need all three levels of government at the table to fund public transit in Toronto.
  - The $660 million commitment of new funding from the federal government is a significant new investment in building transit infrastructure for the GTHA. It is also important that the federal funding become a regular part of the program to expand and improve our urban transportation systems.
  - Toronto and the TTC will be responsible for the delivery of the project, in terms of providing the balance of the estimated capital construction cost and assumption of risk for delivering the project to budget and schedule.
  - Operating and maintenance costs will be the responsibility of the City of Toronto.
- To move ahead with the proposed subway extension, an amendment to the master agreement will be required. The conditions for this amendment were outlined in Metrolinx's letter to the City Manager and has been discussed with the City and TTC officials.
  - As a condition of amending the Master Agreement, it continues to be a requirement that the City of Toronto reimburse Metrolinx for the sunk costs, estimated at $85 million, invested in the Scarborough LRT project.
  - The City must also reimburse any costs associated with re-negotiating the LRT vehicle supply contract with Bombardier for a lower number of required vehicles

- Metrolinx will use $320 million of provincial funding to support the improvements necessary for Kennedy Station related to the construction of the Eglinton Crosstown rapid transit line.

Key Facts (gaps still to be completed by RTI)

	RT-to-LRT conv&ext	Subway (McCowan alignment to Sheppard)	Subway (RT alignment to STC)	Subway (RT alignment to Sheppard)
Cost (2010$)	$1.48 B (excl. Kennedy)	$2.3B	$1.33 B	$2.28 B
Contrib (Prov)	$1.48 B	$1.48 B	$1.48 B	$1.48 B
Contrib (Fed)	$0	Xxx M ($660 M in YOE)	n/a	n/a
Contrib (Mun)	$0	Xxx M ($910 M in YOE)	n/a	n/a
Length	9.9 km	7.6 km	6.4 km	10.2 km
Stations (excl. Kennedy)	7	3	2	4
Avg Speed	36 km/h	40 km/h	40 km/h	40 km/h
Designed ridership capacity	16,000 pphpd	30,000 pphpd (Source: TTC)	30,000 pphpd	30,000 pphpd
Forecast peak ridership (2031)	8,000 pphpd	9,500 pphpd (Source: TTC)	NA **	NA **
% capacity at peak (2031)	50%	31.6%	NA	NA
Forecast annual ridership (2031)	31 million (Source: TTC)	36 million (Source: TTC)	NA	NA
Construction start	2015/16 (consortium-driven)	2018/19	2018/19	2018/19
Length of SRT shutdown	2.5-3 years (consortium-driven)	0 years	3 years	3 years
SRT decommissioned	2015/16/17 (consortium-driven)	2023/24	2020/21	2020/21
Opening date	2019/2020 (consortium-driven)	2023/24	2023/24	2023/24

** - For ridership on the two subway alignments proposed by MTO, the ridership numbers aren't on the same base as the SRT and TTC subway. It would be reasonable to assume similar ridership to the TTC option for both alignments proposed by MTO. The longer alignment would have slightly higher ridership, simply due to length.

Anticipated Question

Q. What role will Metrolinx play in the Scarborough subway project?
A subway extension will be a City/TTC project, not a Metrolinx project.
Toronto and the TTC will be responsible for the delivery of the project, in terms of providing the balance of the estimated capital construction cost and assumption of risk for delivering the project to budget and schedule.

Operating and maintenance costs will be the responsibility of the City of Toronto.

Q. Why is the City/TTC only getting $1.48 billion and not the original $1.8 billion that was set aside for the original Scarborough LRT project?
Metrolinx will use $320 million of provincial funding to support the improvements necessary for Kennedy Station related to the construction of the Eglinton Crosstown rapid transit line. This cost makes up the difference between the $1.48 billion that Metrolinx is reconfirming today and the original $1.8 billion for the total Scarborough LRT commitment.

Q: Will the changes to the Master Agreement put any of the other projects in jeopardy?
No. Metrolinx will continue to move forward on its plans for the Sheppard East and Finch West LRT projects. The matter we are addressing is an amendment to the Master Agreement to provide for a Scarborough subway.
Given all three levels of government have expressed a preference for a subway in this corridor and each level has committed to sharing the funding, we accept that an amendment to the Master Agreement to accommodate a subway is required.

Q: Does this mean Metrolinx is just handing over $1.48 billion to the City and TTC to build the Scarborough subway?
The Province's funding contribution to the project would become available for expenditure beginning in 2018/19 and extend over a number of years to be mutually agreed.

Q: Does this mean it is decided? Scarborough is getting the subway extension from Kennedy station to Sheppard Avenue East? When will construction begin?
The particular alignment for the subway must be selected and approved under the Environmental Assessment Act. In seeking the environment approval, Metrolinx expects the City/TTC to consider all alternatives for the alignment and station locations, in addition to the two that have been discussed to date, in accordance with normal practice under the legislation. This process will also permit participation and comment by members of the public, residents, businesses, land owners and other interested parties.

Q: Which of the proposed subway alignments is better? The alignment along the SRT corridor or along McCowan?

Our preliminary work suggests no one alignment among those that have received consideration to date dominates with respect to all relevant factors. Multiple trade-offs will be required and could involve refinements or adjustments to the two existing alternatives to optimize the route.
We are prepared to accept the City/TTC's judgment on the optimal alignment; however, it is essential that the City take full account of our shared plans for building a network of inter-related rapid transit solutions for the region.
The City/TTC must ensure the recommended alignment serves Scarborough Town Centre as a regional transportation hub (including serving as the western terminal for the Durham Pulse line) and connects with the Sheppard LRT.

Q: Will the Scarborough subway project still be delivered using the Alternative Financing and Procurement (AFP) model?
Infrastructure Ontario remains available to provide support to the City and TTC in the delivery of the project through an alternative financing and procurement process.
In the area of transit, Infrastructure Ontario has partnered with Metrolinx, the City of Ottawa and the Region of Waterloo to assist in delivering major transit infrastructure. Infrastructure Ontario has built a strong reputation for delivering projects to schedule and on budget. However, the decision on whether or not to use Infrastructure Ontario's expertise is for the City to make.

TORONTO

Joseph P. Pennachetti
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July 29, 2013

Bruce McCuaig
President and Chief Executive Officer
Metrolinx
20 Bay Street, Suite 600
Toronto, ON M5J 2W3

Dear Mr. McCuaig,

Re: Scarborough Rapid Transit Options

In response to your June 28, 2013 letter requesting clarification on the City's commitment to the Master Agreement and the Scarborough LRT project, a report was prepared in conjunction with the Chief Executive Officer of the Toronto Transit Commission and brought before City Council on July 16, 2013. The report presented information on the potential financial, planning and other implications of pursuing an extension of the Bloor-Danforth subway instead of the Scarborough LRT.

The resulting Council direction from the report, *CC37.17 Scarborough Rapid Transit Options* has been attached to this letter, and can be found at the following link with a copy of the staff report and attachments:
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.CC37.17

City Council confirmed support for the Scarborough Subway subject to several key terms:

- Provincial contribution of $1.8 billion (2010$);
- Commitment from the federal government to provide new funding equal to 50 percent of the net capital costs of the project;
- No other funding outlined in the Metrolinx, City of Toronto and TTC Master Agreement is to be re-allocated to the Scarborough Subway project from the other three light rail transit (LRT) lines, i.e. Sheppard LRT, Finch LRT, Eglinton LRT; and
- No reallocation of existing City revenues from other services to pay for the subway.

In addition to requesting a fair share of funding from provincial and federal partners,City Council committed to fund the City's share of the cost of the construction of a Scarborough subway. In particular Council directed the Deputy City Manager and Chief Financial Officer to prepare a Development Charges By-law to include the City's share of capital costs for the subway to be considered in 2014. Council also committed to a dedicated property tax increase over three years.

Currently, the City is working through the Mayor's Office to request federal funding for the Scarborough Subway project. Discussions are still in the early stages. Pending the outcome of these discussions and ongoing discussion with the Province with respect to the $1.8 billion (2010$) previously allocated to the Scarborough LRT, a report will be provided to Council in fall 2013 to follow up on whether the terms providing conditional support for a Scarborough Subway have been met, and any other relevant information.

In order to proceed, City Council has requested the provincial and federal governments to commit their share of funding by September 30, 2013. Only upon these terms being met, has Council authorized the City to work with Metrolinx and the Province to amend the Master Agreement, and if necessary enter into a separate agreement with respect to:

- removal of the Scarborough LRT project from the program description;
- redirection of LRT funding of $1.8 billion (2010$) and the estimated value of any costs which would have been borne by Metrolinx for the LRT (i.e. operations, capital maintenance, etc) to the Scarborough Subway project;
- ensuring the Master Agreement continues to apply to key interchange stations with the light rail transit program (i.e. Kennedy Station, Sheppard East Station); and
- any further amendments under the current Master Agreement program that may be required.

With respect to the sunk costs of $85 million identified in the June 28, 2013 letter, Council has authorized the CEO of the TTC to undertake a third party audit of the costs.

The Metrolinx letter dated June 28, 2013, indicated that work currently underway on the Scarborough LRT project would be halted on August 2, 2013 if Council did not confirm support for the LRT project and Master Agreeement. Given that City Council has indicated conditional support for a Scarborough subway based on meeting specific terms by September 30, 2013 we would appreciate that Metrolinx take no action in stopping the LRT project until we have obtained final direction from City Council.

Yours truly,

Joseph P. Pennachetti
City Manager

c: Andy Byford, CEO, Toronto Transit Commission

Encl.: CC.37.17. Scarborough Rapid Transit Options Decision History

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Bruce McCuaig
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August 2, 2013

Joe Pennachetti
City Manager
City of Toronto
City Hall
100 Queen Street West
Toronto, ON M5H 2N2

Dear Mr. Pennachetti:

RE: Response to July 29, 2013 letter

This is to acknowledge receipt of your letter dated July 29, 2013, with respect to Scarborough rapid transit options. I appreciate receiving this information in advance of the August 2, 2013 date set out in my June 28, 2013 letter to you.

In terms of Metrolinx's next steps, I can advise you as follows:

1. The Scarborough LRT remains an approved part of the Master Agreement among Metrolinx, City Council and the TTC, consistent with *The Big Move* and sound transit planning for the region. We will not expend any more funds on the project because it no longer enjoys the essential support of our partner, City Council. It would be imprudent for us to spend more on a project Council has by majority vote repudiated, as further expenditures would increase the sunk costs already incurred for which the City is responsible. As you know, Metrolinx estimates that sunk costs amount to $85 million at this time. Putting the Scarborough LRT on hold is not due to any shortcomings inherent in the project. The project would serve Toronto and its communities well. In the event the City suspends pursuit of the subway extension, Metrolinx is prepared to return to implementing the current project.

2. Metrolinx will continue its work to advance the Eglinton Crosstown. We want to avoid delays to this project that might otherwise result from City Council's decision on the replacement of the Scarborough RT.

3. To accomplish this, Metrolinx will be removing the Scarborough LRT project from the joint procurement that is currently underway for the Eglinton Crosstown and Scarborough LRT. This will allow the Eglinton Crosstown to proceed on its own.

4. Re-designing the improvements required for Kennedy Station will be necessary in order to avoid delays to the Eglinton Crosstown. Metrolinx is proceeding with this planning

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and design work, and will continue to work with staff from the City of Toronto and the TTC on the necessary planning and engineering work.

5. As previously indicated, any current and future sunk costs will need to be borne by the City of Toronto. I understand that City Council has accepted its responsibility to address these costs in principle, subject to a review of the costs that Metrolinx has identified. Once City Council finalizes its position on Scarborough rapid transit, we can mutually determine an effective process for the City's review of the sunk costs. As previously disclosed, some of these costs relate to payments Metrolinx has made to the TTC from the time the TTC was managing the project. In addition, costs associated with the signed contract with Bombardier for the delivery of light rail vehicles will not be known until negotiations with the company are completed. We will not pursue these negotiations until we have a final position from City Council.

As outlined in my June 28th letter, provincial funding of $1.48 billion ($2010) remains available for the replacement of Scarborough RT line. This is the amount necessary to build the planned LRT pursuant to the Master Agreement based on our current cost estimates. The total provincial funding commitment of $8.4 billion ($2010) towards rapid transit in Toronto remains in place as reflected in the Master Agreement.

Over the coming weeks, Metrolinx will meet with City staff to discuss the parameters for moving forward.

Thank you for providing the information on City Council's position.

Sincerely,

Bruce McCuaig
President & Chief Executive Officer

c. Andy Byford, Chief Executive Officer, Toronto Transit Commission

TORONTO TRANSIT COMMISSION

September 6, 2013

J. Robert S. Prichard
Chair, Metrolinx
20 Bay Street, Suite 600
Toronto, ON M5J 2W3
Fax: 416-869-1755
Chair@metrolinx.com

Dear Mr. Prichard,

RE: Minister Murray's September 4, 2013, Scarborough Subway Announcement

On September 4, 2013, the Minister of Transportation, Glen Murray, announced that the Province of Ontario will be funding an extension of the Bloor-Danforth subway line to Scarborough Town Centre. The Minister's proposal uses the current Scarborough Rapid Transit alignment, envisions the relocation of Kennedy Station, ends at Scarborough Town Centre, adds a total of two additional stops, and has a proposed budget of $1.4 billion.

Minister Murray's plan will be studied by the TTC to ensure that it is technically feasible and to assess any impact on the operation of the extended Bloor-Danforth Line. Commissioners should be as informed as possible before we authorize Staff to carry out the study.

I would appreciate clarity from Metrolinx on the following points:

- That the alignment and proposal by the Minister has been approved by the Metrolinx Board of Directors;

- That the input provided by City Council on July 17, 2013, (Item CC37.17, "Scarborough Rapid Transit Options"), including funding and alignment, in response to the letter sent by the Metrolinx CEO, Bruce McCuaig, to the Toronto City Manager, Joe Pennachetti, dated June 28, 2013, is no longer being considered by Metrolinx, and that no Federal funding is being pursued as a result;

- A breakdown of the costs and timelines for this proposal, and confirmation that any cost overruns associated with this plan will be the sole responsibility of the Province and/or Metrolinx;

- Confirmation that the shutdown time of the Scarborough RT, during which the TTC would need to provide approximately 15 million customer shuttle bus riders per annum, will not exceed three years and that the cost of this shuttle bus service will be borne by the Province, as was the case under the original Scarborough LRT proposal;

- Confirmation that the Province will provide or fund alternative transit for TTC customers unable to transition between Warden and Kennedy while the new connection is cut in;

- The impacts (if any) of the Minister's proposal on the Eglinton Crosstown LRT, since the proposal includes the relocation of Kennedy Station;

- Confirmation of the role of the TTC in the design, building and operating of the Minister's proposed subway extension;

- Approvals, if any, which Metrolinx will seek from the City to implement the Minister's proposal.

Of overriding importance is the current status of the Master Agreement, signed by Metrolinx, the Toronto Transit Commission and the City of Toronto on November 29, 2012. Metrolinx CEO Bruce McCuaig stated in his letter dated June 28, 2013, to the Toronto City Manager, Joe Pennachetti, that Metrolinx "continue[s] to rely on the Master Agreement as the legal contract with the City and the TTC to deliver the four [LRT] projects." I request confirmation that this is still the case, noting Mr. McCuaig's subsequent advice to Mr. Pennachetti in his letter dated August 2, 2013:

> "The Scarborough LRT remains an approved part of the Master Agreement among Metrolinx, City Council and the TTC."

As there is a meeting of the Metrolinx Board of Directors on September 10, 2013, I ask that you provide the answers to the above by Thursday September 19, 2013, so my fellow Commissioners may discuss them at our meeting September 25, 2013.

Sincerely,

Karen Stintz

Karen Stintz
Chair, Toronto Transit Commission

Toronto City Hall
100 Queen Street West
Toronto, ON., M5H 2N2
Fax: 416-392-9228
councillor_stintz@toronto.ca

cc: Bruce McCuaig, President and CEO, Metrolinx
Joe Pennachetti, City Manager, City of Toronto
Andy Byford, CEO, Toronto Transit Commission
TTC Commissioners

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Office of the Chair
J. Robert S. Prichard
416-202-5906
Robert.Prichard@metrolinx.com

September 10, 2013

Karen Stintz
Chair
Toronto Transit Commission
Toronto City Hall
100 Queen Street West
Toronto, Ontario
M5H 2N2

Karen
Dear ~~Chair Stintz~~,

RE: Response to your letter dated September 6, 2013

Thank you for your letter of September 6, 2013 with respect to the announcement made by the Ontario Minister of Transportation, the Honourable Glen Murray, on September 4, 2013 related to the proposed extension of the Bloor-Danforth subway to Scarborough Town Centre using the SRT alignment. Today, the Metrolinx Board of Directors met and discussed the project and I can provide you with the following information in response to your questions.

Metrolinx has consistently supported using the SRT corridor to bring rapid transit to Scarborough Town Centre and linking it to Kennedy Station. The Big Move, the Transit City plan, the 2009 funding announcement and the master agreement between Metrolinx and the City/TTC all reflect this commitment to using the SRT corridor. Similarly, the Minister's announcement of September 4, 2013 continues this commitment. The alignment has previously been approved under the Environmental Assessment Act for the LRT project.

Following City Council's July 17, 2013 decision expressing the City's preference for a subway for Scarborough instead of the LRT contemplated by the master agreement, Minister Murray asked Metrolinx to study whether the proposed subway could follow the existing SRT alignment. We undertook a preliminary feasibility study. It suggests the route using the SRT alignment announced by Minister Murray has a number of advantages: it has greater opportunities for economic growth and employment along its length, relative to the route earlier proposed by the City and TTC; it takes advantage of an existing transportation corridor instead of incurring the cost of building a new one; our preliminary analysis suggests that it could potentially be delivered at a lower capital cost as it requires much less tunnelling; and assuming rapid transit is subsequently extended to Sheppard Avenue East, it serves more priority neighbourhoods and double the population within walking distance. In addition, preliminary work suggests that the subway from Kennedy to Scarborough Town Centre could be delivered close to the existing provincial funding commitment of $1.48 billion. All of these factors suggest using the existing SRT alignment, which is also the approved alignment for the LRT in the master agreement, is

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worthy of the most serious consideration. It offers the possibility of a better solution at lower cost serving more people and generating greater economic growth than any other alignment.

Metrolinx staff met with City and TTC officials on August 29, 2013, when the alignment using the route previously approved for the LRT was discussed and our feasibility study was shared. At that time, TTC officials agreed to review the technical feasibility of the route. I understand that the TTC continues to review this alignment and we are grateful for this work. We will continue to work closely with Mr. Byford and his team to assess the various technical issues and financial estimates.

We acknowledge the need for careful due diligence to confirm our preliminary analysis. We look forward to working closely with your colleagues at the TTC and City to complete this confirmatory work in the next few weeks. Once that work is completed, we will expect Metrolinx management to bring a full report and recommendation to the Metrolinx Board of Directors for consideration. Ultimately, the alignment for the proposed extension will need to receive approval in accordance with the Environmental Assessment Act.

Metrolinx and the Province support securing strong federal support for the rapid transit for the Greater Toronto and Hamilton Area. We encourage the City's efforts to achieve this goal as well and we are willing to assist the City in any way we can.

As you know, Metrolinx has been clear in communicating its position to City and TTC officials on the proposed subway extension both before and after City Council's July 17th decision, regardless of the alignment that is ultimately approved and constructed. The position consistently communicated to City and TTC representatives includes:

- Provincial funding of $1.48 billion ($2010) is available for the project.
- All sunk costs for the approved Scarborough LRT, currently estimated at $85 million, must be reimbursed by the City.
- Any costs associated with the re-negotiation of the contract with Bombardier for the supply of LRVs will need to be reimbursed by the City.
- Provincial contributions towards the project will begin no earlier than 2018/19.
- The extension of the TTC's subway would be a City/TTC project, and the City would be responsible for project scope and schedule, including any cost overruns, operating costs and maintenance costs.
- The Province and Metrolinx will work with the City and TTC to align the scope of the project and the routing with provincial growth and transportation objectives, reflecting the need to maximize economic growth and employment along the corridor.
- The Province is interested in building in a role for Infrastructure Ontario to support the City's and TTC's efforts to deliver the project to its schedule and budget.

Preliminary estimates of costs and the potential schedule for the SRT alignment were included in the report we provided to City and TTC officials on August 29th. This represents preliminary work and it was agreed, at that time, that the TTC would undertake an initial review of the report, recognizing that the alignment required significant technical review and analysis.

In terms of the impact of the SRT alignment on the existing Scarborough RT service, it is acknowledged that a shutdown would be required, of up to three years. This is essentially the same as the period of shutdown time built into the LRT project, which City Council and the TTC

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approved and was included in the master agreement. In terms of the costs associated with the bus bridge, this would need to be addressed in the context of any amendments to the master agreement. The master agreement currently provides for the four existing approval projects, Metrolinx will reimburse the net incremental operating costs incurred by the TTC which are attributable to disruption to normal service as a result of and during construction.

As indicated above, Metrolinx's position is that the extension of an existing TTC asset, in this case the Bloor-Danforth subway, must be owned and operated by the TTC. Metrolinx will provide input, advice and support to the TTC, and Infrastructure Ontario is ready to support the project to help ensure it is delivered to schedule and to budget.

Metrolinx continues to rely on the master agreement, as it may be amended from time-to-time, as the legal contract with the City and the TTC. As was agreed with the City and TTC officials when we met, to implement the proposed extension of the Bloor-Danforth subway, an amendment to the master agreement would be required.

Metrolinx is also interested in working with the City of Toronto and the Region of Durham to extend the Pulse bus rapid transit system into Toronto, linking in to the Scarborough Town Centre and serving important regional destinations, such as Centennial College and the University of Toronto at Scarborough. This is a priority project in the Next Wave of transit priorities set out in *The Big Move* and would strengthen the role of Scarborough Town Centre as an important regional hub.

Metrolinx's objective continues to be the delivery of improved transit services to the entire Greater Toronto and Hamilton Area, including the City of Toronto. There continues to be great progress, with projects including the revitalization of Union Station, the Eglinton Crosstown, 30-minute service on the GO Lakeshore rail lines, the construction of the Union Pearson Express, the opening of the initial York Viva Rapidways service along Highway 7, the construction of the Mississauga Transitway, and the deployment of PRESTO, with over 750,000 customers currently in place, advancing well. These are just some of the several hundred projects currently underway, many of which are made possible by strong partnerships with the affected municipalities and their transit systems. Our interest is in moving forward with the Scarborough rapid transit project as quickly as possible based on a strong partnership with the TTC and the City of Toronto.

As always, I would be pleased to discuss these matters with you at your convenience.

Warm Regards,

Rob

J. Robert S. Prichard
Chair
Metrolinx

c. Bruce McCuaig, President and Chief Executive Officer, Metrolinx
Joe Pennachetti, City Manager, City of Toronto
Andy Byford, Chief Executive Officer, Toronto Transit Commission

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President and Chief Executive Officer
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October 1, 2013

Joe Pennachetti
City Manager
City of Toronto
City Hall
100 Queen Street West
Toronto, ON M5H 2N2

Dear Mr. Pennachetti,

RE: Master Agreement Amendment

In light of the recent federal funding announcement for a Scarborough subway, I write on behalf of the Metrolinx Board of Directors with respect to the City's desire, further to Council's July 17, 2013 resolution, to amend the Master Agreement between Metrolinx, the City and the TTC to substitute a subway for the previously approved Scarborough LRT.

Purpose:

The purpose of this letter is to set out a path for moving forward with the proposed extension of the Bloor-Danforth subway to Scarborough. On behalf of the Board of Directors of Metrolinx, I want to be clear about the approach and conditions we could support before City Council addresses the question at its October meeting.

Current Agreement:

The Master Agreement entered into between Metrolinx and the City and TTC provides for the Scarborough LRT. Metrolinx continues to believe that the LRT project, which was to run from Kennedy station to Sheppard Avenue through the Scarborough Town Centre and to be located on an alignment that would be fully separated from roads and traffic, would provide an effective rapid transit solution to the transportation challenges in this area and could be delivered within the $1.48 billion budget provided for it. However, given that all three levels of government have expressed a preference for a subway in this corridor instead, and each level of government has committed to share in funding the subway project, we accept that an amendment to the Master Agreement to accommodate a subway is required. Governments are the ultimate decision-makers in these matters and we must defer to the judgments that have been made. The provincial contribution to the subway project should remain limited to the funds that would have otherwise been spent on the LRT, thus protecting the other Toronto projects encompassed by the Master Agreement and other investments in reducing congestion in the Greater Toronto and Hamilton Area. The contributions made by the federal government and the City of Toronto will meet the additional cost of converting the LRT into a subway project.

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Federal Commitment:

The $660 million commitment of new funding from the federal government is a significant new investment in building transit infrastructure for the Greater Toronto and Hamilton Area. It is also important that federal funding become a regular part of the program to expand and improve our urban transportation systems. Metrolinx will continue to put forward the case for sustained and dedicated funding from all orders of government to address the transportation challenges in the GTHA. In the meantime, however, we welcome a major project made possible by funding commitments from all three levels of government. Working collaboratively in a tri-partite partnership, there is no limit to what our governments can achieve in this area.

Provincial Commitment and Reimbursement of Sunk Costs:

On behalf of Metrolinx, I want to re-confirm that $1.48 billion ($2010) in provincial funding remains available for the proposed extension. This is the amount of funding required to build the Scarborough LRT pursuant to the Master Agreement. We are not prepared to spend more than this amount because we do not wish to divert funds from other projects covered by the Master Agreement and its total funding commitment of $8.4 billion.

The Province's funding contribution to the project would become available for expenditure beginning in 2018/19 and extend over a number of years to be mutually agreed. The total provincial funding commitment of $8.4 billion ($2010) towards rapid transit in Toronto remains in place.

As a condition of amending the Master Agreement, as communicated previously, it continues to be a requirement that the City of Toronto reimburse Metrolinx for the sunk costs, estimated at $85 million, invested in the Scarborough Light Rail Transit project. The City/TTC must also reimburse any costs associated with re-negotiating the LRT vehicle supply contract with Bombardier for a lower number of required vehicles.

Kennedy Station:

As you know, $320 million of provincial funding is being used to support the improvements necessary to the Kennedy station, related to the construction of the Eglinton Crosstown rapid transit line. This location also represents the starting point of the proposed subway extension. Metrolinx will work with the City and TTC to finalize the design of the necessary improvements at the Kennedy station. We request that the City and TTC support Metrolinx in finalizing this plan as quickly as possible to avoid any delays in moving forward with the Crosstown. When completed, the final plan may lead to savings in the $320 million budget since the Scarborough LRT station at Kennedy will no longer be required. At the same time, TTC and Metrolinx continue to work together on station improvements at Yonge and Eglinton, where the Eglinton Crosstown LRT and the Yonge subway will intersect. These important improvements will increase the station costs beyond the budgeted amount in the Eglinton Crosstown budget. Once the final costs of the Kennedy and Eglinton/Yonge station improvements are finalized, Metrolinx will recommend to the Province that any net savings to the two budgets be provided to the City/TTC for the Scarborough subway, in addition to the $1.48 billion stated above, so long as no delay costs are incurred which would reduce this amount.

City/TTC project:

Since the Scarborough subway is an extension of the current Bloor-Danforth subway owned

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and operated by the TTC, the subway extension will be a City/TTC project, not Metrolinx's. Toronto and the TTC will be responsible for the delivery of the project, in terms of providing the balance of the estimated capital construction cost and assuming any risk of delivering the project to budget and to schedule. In addition, ongoing operating and maintenance costs will be the responsibility of the City of Toronto.

Infrastructure Ontario's Role:

Infrastructure Ontario is available to provide support to the City and the TTC in the delivery of the project through an alternative financing and procurement process which we believe would deliver value and reduce risk for the City/TTC. Since 2005, over 50 projects in various sectors have been brought to market, with over 20 projects completed and about 30 under construction. In the area of transit, Infrastructure Ontario has partnered with Metrolinx, the City of Ottawa and the Region of Waterloo to assist in delivering major transit infrastructure. Infrastructure Ontario has built a strong reputation for delivering projects to schedule and on budget. However, the decision on whether or not to use Infrastructure Ontario's expertise is for the City to make.

Route and Alignment:

This provincial funding is available to support a subway extension from Kennedy station to Sheppard Avenue East where it will intersect with and connect to the Sheppard LRT.

The particular alignment for the subway must be selected and approved under the Environmental Assessment Act. As the project involves an extension of an existing municipal asset, the City and/or the TTC would be the proponent under the Environmental Assessment Act. In determining the detailed alignment and station locations, it is essential that a collaborative and evidence-based approach be used.

In seeking the environment approval, we expect the City/TTC to consider all alternatives for the alignment and station locations, in addition to the two that have been discussed to date, in accordance with normal practice under the legislation. This process will also permit participation and comment by members of the public, residents, businesses, land owners and other interested parties. It is in the interest of all three funding partners and all other parties that the optimal alignment and station locations be selected, which will best reflect the balance of factors that should bear on the final choice.

Our preliminary work suggests no one alignment among those that have received consideration to date dominates with respect to all relevant factors. Multiple trade-offs will be required in coming to a final judgment, and could involve refinements or adjustments to the two existing alternatives, to optimize the route. We are prepared to accept the City/TTC's judgment on the optimal alignment after it has considered all relevant information and after the proposed route has been reviewed in the Environmental Assessment process. This information must include ridership, costs and benefits, land use, economic development and employment opportunities, providing service to priority neighbourhoods, and the implementation of applicable provincial and municipal policies, including Places to Grow – the Growth Plan for the Greater Golden Horseshoe, The Big Move regional transportation plan and Toronto's Official Plan.

Ultimately, the optimal alignment is directly tied to the City's choices on land use and development to permit intensification along the route of the subway. As a result, it is essential that the City make an integrated set of choices about the alignment (including the station

.../4

locations) and the related planning, development and zoning decisions which fall within City Council's jurisdiction. It is also essential that the City take full account of our shared plans for building a network of inter-related rapid transit solutions for the region. The City/TTC must ensure the recommended alignment serves Scarborough Town Centre as a regional transportation hub (including serving as the western terminal for the Durham Pulse line) and connects with the Sheppard LRT. Absent this integrated approach to finalizing the alignment and station locations and building a rapid transit network and not just an individual project, less than full value for the subway extension would be achieved.

Relevant Data and Recommendations:

At Metrolinx, we will continue to share with the City and TTC all our analysis and data that bear upon the choice of alignment. We have already provided our preliminary work and will provide further analysis to the City and TTC as it is completed. In addition, the Duguid-Thompson task force will bring forward recommendations to promote economic development and jobs in Scarborough and these recommendations will have implications for the optimal alignment. We expect all of this material will be considered by the City/TTC as relevant evidence in coming to its final proposed alignment which should be based on an assessment of all the evidence available at that time.

Conclusion:

On the basis of the content of this letter and subject to City Council's final position, Metrolinx is prepared to enter into negotiations with the City and the TTC to amend the Master Agreement to provide for a Scarborough subway on these terms. All other aspects of the Master Agreement will remain unchanged and Metrolinx will continue to implement the projects it provides for.

We look forward to working with the City and the TTC to deliver improved rapid transit to the people of Scarborough.

Sincerely,

Bruce McCuaig
President & Chief Executive Officer

c. Andy Byford, Chief Executive Officer, Toronto Transit Commission

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8.1b

PC Scarborough Subway Petition

Ontario PC

"**Tell the Liberal government you want the subway that was promised**

Before the Scarborough by-election, the Liberals promised $1.8 billion for the Scarborough subway plan. A plan that is supported by the City, the Ontario PC Party, the residents of Scarborough and the Federal Government.

However, within weeks of the by-election, the Liberal broke their promise. The Ontario PC Party and GTA residents are calling on Liberals to stop breaking their promises and support the Scarborough subway.

Sign the petition to tell Premier Wynne you support the subway that was promised."

- http://www.ontariopc.com/subways

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9.1

Relief Line

Issue
The Relief Line is the highest-profile project in the Next Wave and a variety of matters, including the degree its scope is set versus open, the relationship with the TTC and City in its planning, and the interdependency with Yonge North could prompt questioning.

Key Messages
- The Relief Line is required to address transportation needs both locally in central Toronto and regionally across the Greater Toronto and Hamilton Area.
  - The Relief Line improves the ability of all GTHA residents—from Old Toronto to the inner suburbs to the 905—to access the regional core.
  - The Yonge-University-Spadina subway is currently at or nearing capacity and requires relief. Other current and proposed transit network expansions would put further pressure on the Yonge-University-Spadina subway, such as the proposed northern extension of the Yonge line to Richmond Hill.
  - A relief line also has the potential to address capacity pressures on other transit lines and provide new choices for transit customers.
- In the Investment Strategy we recommended the Relief Line be part of the Next Wave of Big Move projects, and Metrolinx is moving ahead in earnest.
  - A relief line of some nature has been identified in various transportation plans for many decades, but population increases mean we have to act now.
  - The Relief Line was first included in The Big Move in 2008 as part of the plan's proposed 15-25 year timeframe; as a result of further technical analysis, amendments to The Big Move approved in February 2013 moved the line ahead to the first 15 years and identified it as a Top Priority
  - We need dedicated investment tools to make the Relief Line and other important transportation priorities a reality.
- With such a complex problem and such enormous costs, we want to ensure we're putting forward the best possible solution.
  - There is no Relief Line plan ready to go; a wide variety of different options are available to us and further planning is necessary so we're confident we've landed on the option that delivers the maximum benefits to the region as a whole.
  - The Relief Line Network Study is being coordinated with phase two of the TTC's Downtown Rapid Transit Expansion Study to evaluate potential Relief Line alignments as well as work on the City of Toronto's Official Plan review, with York Region also providing input.

Key Facts
- Preliminary allocation of **$7.4 bn** included in Metrolinx Investment Strategy
- **107 million annual riders** in 2031 based on one conceptual alignment
- Endorsed as next Toronto priority by Mx Board, TTC Board, Andy Byford, Jennifer Keesmaat

- Relief Line Network Study budget: approximately **$1.2 m**

Anticipated Questions

Q. Does the Yonge North extension have to wait until we build the Relief Line?
At this time, both projects have been grouped as part of the same "wave" from the Big Move. We expect the Relief Line Network Study to come back with a clear recommendation on precise phasing.

Q. This thing's been studied and studied for years and years. Why is Metrolinx proposing yet more studies?
While it's true that Relief Lines have been sketched conceptually on and off over the past decades, they've rarely gotten much further than lines on maps. Downtown Toronto is a very different-looking place now than it was the last time this project was seriously proposed in the 1980s, and the 905 has also grown dramatically.

With such a complex problem and such enormous costs, we want to ensure we're putting forward the best possible solution. There is no Relief Line plan ready to go; a wide variety of different options are available to us and further planning is necessary so we're confident we've landed on the option that delivers the maximum benefits to the region as a whole.

Q. Can't you just let TTC passengers ride the GO Train as a cheap relief line?
In the peak hour, GO Train are already standing room only within the City of Toronto, and adding capacity there also requires significant capital investment—some underway now, some proposed as part of the Next Wave.

The Relief Line Network Study is examining GO closely and will ask some of these questions: given these constraints, is there more we can do with GO in the short term? Can we relieve both GO and subway congestion with one well-placed project, or will it take separate measures? How would different fare policies shift demand to different parts of the transportation network?

Q. Who decides where the Relief Line goes, you, Toronto Council, the TTC? Who will operate it?
We're working closely with the TTC, who are moving forward on the second phase of their Downtown Rapid Transit Expansion Study, and the City of Toronto, who are updating their Official Plan.

There is already broad consensus in Toronto that the Relief Line is the next priority --- opinion held by TTC CEO Andy Byford and Chief Planner Jennifer Keesmaat, and official position of TTC board. We're optimistic we'll continue to be on the same page as we work through the details.

We expect the Metrolinx Board of Directors will need to approve the project scope of this and all other Next Wave projects.

It is premature to discuss operating arrangements.

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10.1

UP service objective: local-oriented general-purpose vs airport-oriented specialty

Issue
Many critics would prefer that instead of the UP Express service as presently scoped, Metrolinx implement a frequent-stopping electrified service on the corridor priced as part of the TTC network or similar.

Key Message

- General-purpose and airport-oriented travellers have distinct needs, so *The Big Move* calls for two complementary transit services in the corridor, each customized to their particular market.
  - UP Express service will be optimized for airport-oriented traffic, which is particularly sensitive to travel time.
  - GO Transit service will continue to be the general-purpose transit option; *The Big Move* identifies electric GO services in this corridor eventually being offered at a higher frequency than UP services.
    - Unlike UP, which should be steady-state, we expect to keep adding GO service incrementally as demand warrants and as infrastructure is added.

- While in some cities they have chosen to combine airport-oriented service and local-oriented general-purpose service into one transit option, this does not always make sense for every context.
  - Downtown-to-airport transit must compete with a direct freeway option in Toronto but not in Vancouver, for instance.
  - Medium-speed rapid transit options to Pearson already exist (eg TTC subway + 192 express bus) or will exist (eg Eglinton Crosstown extension) and important for UP Express to be higher speed so as to compete for new market share.

- Carrying general-purpose traffic is a closer fit to GO's service model than UP's; we continue to explore opportunities for GO to better serve the "416" but there are obstacles.
  - GO faces its own rush hour capacity constraints that we are working to address; if 416 riders switch from the streetcar to GO and displace existing 905 riders, those 905 riders will go back to congesting our roads.
  - Each additional station can both add new riders and drive off existing ones as a result of longer travel times; the secret is finding a balance.
  - We're exploring the opportunities and challenges for GO-TTC fare integration as part of a comprehensive study on right now.

Key Facts

- UP proposes 25 minute travel time on 15 minute frequency
- 30 minute trip forecast to have 10% fewer riders, 35 minute trip 20% fewer
- Electrification shaves 1 minute off Union-Pearson travel time

<u>Anticipated Questions</u>

Q. In city x the train to the airport stops y times and it's amazing. Why are we not doing the same here?

While we can't speak to whether city x built the right type of transit, we know globally that airport rail links take many forms and what works in one city may not work in another (refer back to KMs)

As an airport-oriented specialized express service, UP Express will be a new concept for North America but the concept is proven in leading European and Asian cities, such as London, Tokyo and Stockholm.

Q. Won't adding more stops help more people get to the airport?
Ridership studies looked at the impact of small adjustments to travel time, and showed that with every 5 minute increase to travel time, we would expect to lose 10% of the airport-oriented ridership. There are no locations along the line where there is enough demand for travel to and from the airport that it could offset those kind of losses.

In the event significant increases in travel time (ie a 45 minute trip) were considered, it would make the service so uncompetitive with existing travel options to the airport that ridership would fall off precipitously.

Q. Doesn't electrification mean we can have a lot more stops while preserving a fast trip?
Metrolinx agrees that electrification is a worthy investment because of some of the performance benefits that electric trains offer compared to existing GO trains, but it is important not to "oversell" electrification's ability to permit infill stops without travel time impacts

In our electrification study, UP Express electrification was modelled to improve run time by only about 1 minute because the DMU vehicles on order for UP Express already have relatively good acceleration and braking. This means that even with electrification, every additional station will make the line slower than the current configuration.

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10.2

UP Express pricing, ridership and business model

Issue

Audit Working Papers

Key Messages

- We are building UP Express, and it will open, on-time and on-budget, in 2015.
  - It's a top priority project in The Big Move.
  - This has been the subject of conversations and studies for decades and decades.
  - We have finally moved from talk to concrete and metal and glass, which can be readily seen if you've visited the airport recently.
  - $456 M budget set in 2010 and tracking to it.

Exclusion per Committee Direction

  - The private sector invested heavily in this project for over 7 years as it was confident that the ridership forecasts were realistic. All the ridership studies conducted while the private sector was involved were Investment Grade – Bankable Studies each vetted by independent third parties.
  - Metrolinx is relying on best-in-class international expertise, Steer Davies Gleave, to update and refine its market forecasting.
- We're continuing to refine our business planning as we get better information about costs and revenues.

Exclusion per Committee Direction

  - Precise operating and maintenance costs have yet to be determined: we're using estimates in the absence of a contract with the future operator and maintainer; train crewing levels have to be determined; and works are ongoing to define and refine the full extent of the service offering which also impacts operating costs.
  - Non-fare revenue opportunities are being reviewed as these will also contribute to the overall operating budget.
  - Changes or trends in airline travel between now and service launch will need to be reviewed in the ridership modeling.

Top Questions

Q. Isn't this just an elite service for the rich with corporate expense accounts?
Absolutely not. In line at Pearson today you see a great diversity of travellers from all walks of life. We are confident that the final price of a ticket on UP Express will be a small fraction of the overall costs incurred by those travellers for airfare, improvement fees and taxes. (back to KMs)

Exclusion per Committee Direction

Commercially Sensitive Information

Q. The private sector was not able to run the project as a viable business, how can Metrolinx do so?

- *The previous private sector proponent withdrew from the project following the global financial crisis, as the private capital markets could no longer provide the required financing on suitable terms.*
- *As a sister division to GO within Metrolinx, UP Express has certain advantages that a privately-owned standalone operation would not. For example, Metrolinx owns the railway corridor and all platforms for the route, and there are back-end synergies with GO; as such we can better control access fees, scheduling and operations and thus lower operating costs.*

UP Express/GTS/Electrification project costs

Issue

Numerous stakeholders, including elected officials from both opposition parties, have either expressed confusion about or expressed misunderstandings about how the costs for UP, GTS and Electrification fit together.

Key Messages

- (1) GO expansion in the corridor, (2) the introduction of UP Express service, and (3) potential future enhancements to both GO and UP are interlocking projects that build upon one another.
  - Each project has been strategically staged and then implemented as funding was identified. With the Next Wave, we hope to continue incremental expansion.
- In these projects, as in all of Metrolinx's undertakings, we provide expenditure information transparently.
  - Costs of all current projects have been provided proactively on our website, and we're responsive to stakeholder inquiries.
  - We tend to upgrade existing railway lines through a series of incremental investments which can make communicating costs and benefits more challenging than more easily-explained projects like a new LRT line.
- All current infrastructure projects are on-time and on-budget.

Top 3 Questions

Q. Why isn't UP Express included in the government's Pan Am budget?

While the Pan Am Games were a powerful incentive for getting the project approved and serve as an important deadline for us, it would be improper to classify the UP Express is a Games-related asset in the same sense as other investments, such as new sporting facilities. A link to the airport had a lengthy history prior to winning the bid and we hope it will have a rich one after the games are long over.

Q. Isn't the real cost of UP Express actually billions because you need x + y + z?

We've separately reported the costs of GO Transit's Georgetown South Project and UP Express dating right back to the period of time where GTS was being delivered by Metrolinx and the airport rail link was being delivered by a private proponent. Changing this approach would have introduced confusion.

While UP leverages the GTS investment, GTS cannot be properly counted as an UP expense:

- *GO's Kitchener line service has had rush hour demand outstripping the infrastructure's capacity ceiling since the early 2000s, and GTS is a prerequisite for any GO growth. The West Toronto Diamond grade separation was funded in May 2004 before UP was even confirmed.*

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- *Our long term plan is to eventually operate more GO service than UP service on the infrastructure included in GTS.*

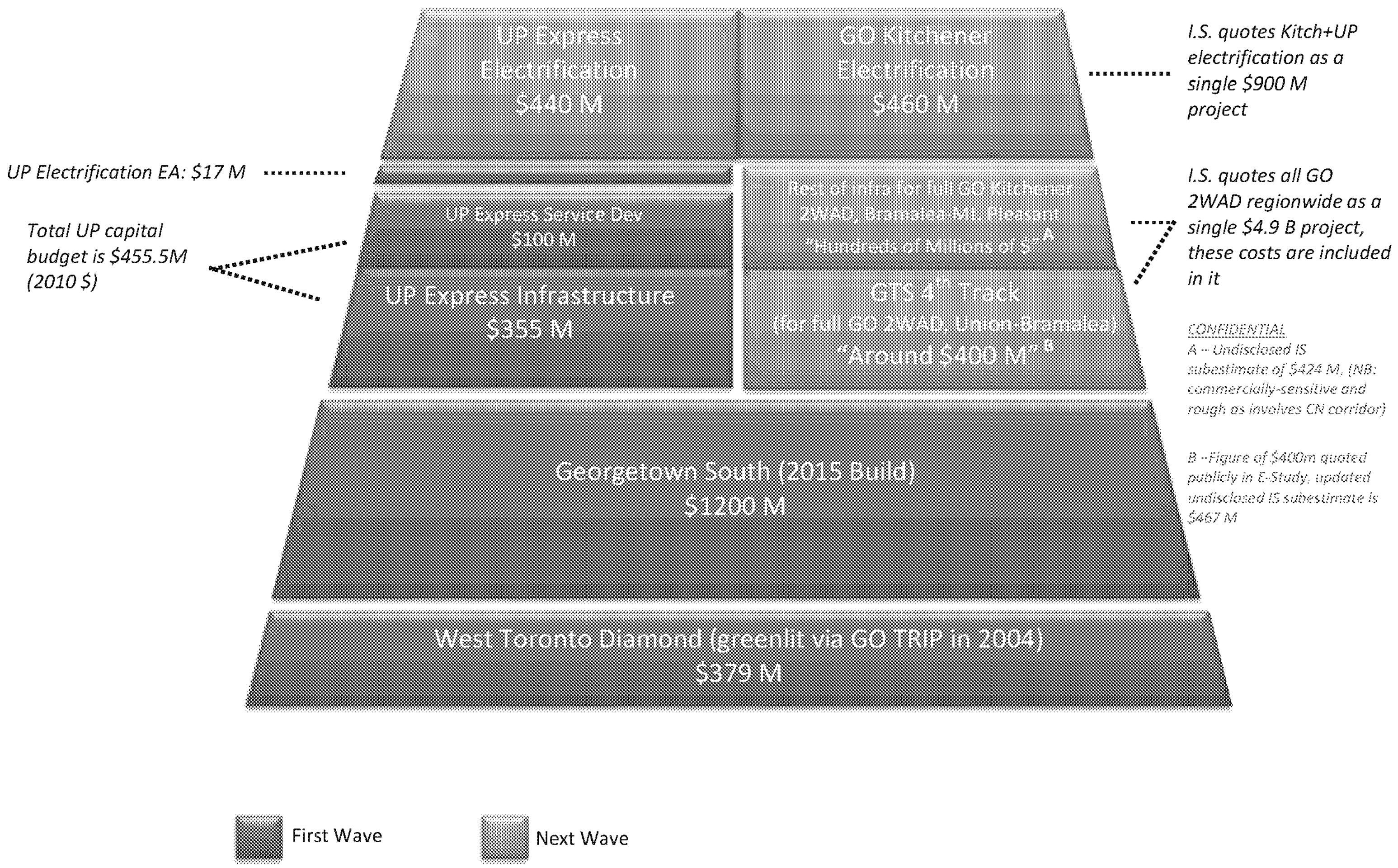
Q. Hasn't the UP Express estimate grown from $300 m to $x? Isn't it over-budget?

- *UP Express's total capital budget of $455.5 million in 2010 dollars was approved by Treasury Board in 2010 and remains. We have subsequently determined that this breaks down into about $350 million on infrastructure and $100 million on service development.*

- *Early on, we had quoted $300m as a ballpark figure at what the infrastructure component would cost.*

BACKGROUND

Public-facing costs for the various elements of improvements to the shared GO/UP corridor are listed below **without duplication**. Costs are in quoted in dollars from various different years of expenditure and if added together will not produce accountant-grade accuracy.



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10.4

GTS Human Health

Issue
Concern that emissions from diesel rail vehicles along the GTS corridor will cause negative human health impacts.

Key Messages
GO Transit is meeting the conditions of approval for the GTS Project imposed by the Minister of the Environment.

- GO undertook an additional human health assessment which included performing an enhanced analysis of predicted emissions and background air quality
- We continue to carry out ambient air quality monitoring, which thus far has validated our predictions with real data from the field.
- We are in the process of acquiring rail vehicles that meet the strictest emissions standard on the market, the Tier 4 Final standard set by the US Environmental Protection Agency

Based on our Human Health Mitigation Plan, completed in 2011, no significant human health impact will be caused by GO Transit or UP Express service.

- The plan was reviewed and accepted by experts at the Ministry of the Environment.
- Even with increased services in 2015, improved engine technologies mean the overall GO/UP contributions to emissions in the GTS corridor will be lower than they were 2010.
- We will be well below stringent WHO standards
- Along the GTS corridor, background air emissions play a significant role and both GO Transit and projected UP Express emissions are relatively small contributors.

Metrolinx and GO Transit already play an active role in improving the air quality of the entire GTHA.

- GO already has the newest locomotive fleet of any major passenger railway in North America, and we will be upgrading our GO Trains to Tier 4 Final clean diesel technology starting in 2015
- Metrolinx is implementing its Regional Transportation Plan, The Big Move, to improve regional transit and provide public transit alternatives to private vehicles.

Key Facts

- Every additional rush hour GO Train trip made possibly by GTS can take **over 1600 cars** off the road per trip.
- We anticipate UP Express will take **over a million** further car trips off the road in the first year of operation
- Tier 4 technology reduces airborne particulate emissions by **90%** and nitrogen oxides (NOx) by **80%** compared to GO's current Tier 2 locomotives

<u>Top 3 Questions</u>

Q. The WHO has new research that says diesel is carcinogenic. How do you justify hurting our children?
The Human Health Mitigation Plan was reviewed carefully by experts at the Ministry of the Environment. They accepted the conclusion that no significant human health impacts will be caused by GO Transit or UP Express service. The modeled results clearly indicate that Tier 4 technology is an effective solution.

We continue to monitor developments in the field. It's important to note the WHO has declined to define what levels of diesel emission exposure constitutes an unacceptable cancer risk. Metrolinx will continue to rely on WHO standards for air emissions and comply with all applicable federal and provincial emissions regulation.

Q. Will all GO Trains be upgraded to Tier 4 in 2015?
We have a prototype locomotive being manufactured now. Our plan is to refurbish 10 locomotives to Tier 4 by 2015; the balance of the fleet will be refurbished over the next several years as part of our ongoing fleet refurbishment process.

Q. Can you say that the number of cars taken off the road will mean less pollution than the additional trains you are adding?
We anticipate that the UP Express will take 1.2 million car trips off the road in the first year of operation, and any time you take cars off the road, you reduce GHGs.

[Note to draft: discuss.]

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GTS Noise Walls

Issue

Some members of the community along the GTS corridor are unhappy about the need for noise walls and claim that electrifying the UP Express would obviate the need for them, and/or that we should erect "green" walls. In addition there is disagreement about whether to install "Full Build" for 2015 or not in some areas.

Key Messages

- We are committed to ensuring we effectively address the increased train noise which will result from expanding service in 2015.
  - Mitigating train noise above certain levels is required by the Ministry of the Environment as a condition of the Environmental Assessment for the GTS Project.
  - Some walls are required to be installed by 2015.
  - Other walls ("Full Build" noise walls) will eventually be required as further expansion occurs, but could be installed for 2015 as well to provide additional mitigation.

- We are consulting the community and acting on its input.
  - Our proposed designs include a mix of materials, including greening options, the use of art, and transparent walls or panels, based on the needs and desires of the local community in each location.
  - We first engaged with the community to determine whether they preferred installation of not just the walls required in 2015, but also the walls required when there is further service on the corridor.
    - Our initial consultation indicated a strong preference for installing Full Build mitigation for 2015. Until May, we did not receive any feedback from the public against this option.
    - We are open to revisiting the decision to install the Full Build noise wall in particular areas if final designs are not felt to address community concerns.
  - We then established 8 Community Advisory Committees to gather feedback on designs that will provide options and solutions that address their needs and concerns.
    - More than 150 community members, along with elected representatives, are on the committees
    - Each committee has met four times and members have provided valuable feedback to a landscape architect to help inform the initial design concepts of the noise walls.
    - Four public meetings were also held and feedback will be considered as concepts are developed.
- Electrification will not eliminate the need for noise walls.
  - Even after electrification, the vast majority of identified noise wall locations still have a 5 decibel increase which still requires noise mitigation.

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Key Facts

- 5 db is threshold set in GO-MoE protocol for noise mitigation
- More than 150 community members on Community Advisory Committees
- 32 CAC meetings were held to refine wall design concepts

Top 3 Questions

Q. Isn't it true that the community doesn't want noise walls, and Metrolinx is creating a false impression that the community is supportive?

- *The GTS corridor is 20 km long and there's tremendous diversity in the communities along it.*
- *We have heard a variety of voices. Our earlier consultation indicated support for as much mitigation as possible, and subsequently some dissenting opinions to this position came to light.*
- *We've put together a process that tries to give voice to everyone, doesn't impose a single solution on all communities, and seeks community input informed by actual design proposals.*

Q. Why aren't you considering green options for the wall design?

- *We are proposing vine-covered walls in numerous locations based on community input.*
- *Living walls can only be considered in areas where there is sufficient access to the wall from either side of the corridor for maintenance. In areas adjacent to the City of Toronto property, our understanding is that the City of Toronto is not supportive because of the amount of maintenance that would be required.*
- *A separate urban design proposal that focused on landscaping rather than sound mitigation was put forward by a landscape architect who thus far has refused our* repeated offers to meet and discuss their proposal.

Q. Surely electrification eliminates the need for sound walls? In Europe they have electric trains and no sound walls in most places so why do we need it here?

- *In March 2013 we completed an assessment of train noise if the corridor was electrified. The results show that the vast majority of noise walls would still be required. The noise level difference between electric-powered and diesel-powered trains is not significant (about 2 decibels).*
- *We cannot speak to the precise conditions in Europe as we don't know the noise levels generated by those trains or the circumstances in the corridors, but we do note that we have a very specific regulatory framework in Canada, and that trains here tend to be heavier than those in Europe because, in operating on shared corridors (with freight and passenger trains), they must be compliant with federal regulations in that respect.*

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10.6

Electrification Progress

Issue

Criticism Metrolinx has not sufficiently embraced electrification and confusion about rationale, costs and timelines. Intersects with Bill 84, a private members bill introduced by Jonah Schein.

Key Messages

- Metrolinx has selected the electrification of the Lakeshore and Kitchener GO lines, along with UP Express, to be part of its Next Wave of Big Move projects.
  - Metrolinx provided funding recommendations to the government on May 27, 2013 for these and other Next Wave projects.
  - Metrolinx worked with international experts and found that electrification will deliver transportation benefits and moderately improve operating and maintenance costs, but only marginally impact air quality or sound.
- Important design and engineering steps are underway so we'll be ready to implement electrification once funding is potentially confirmed:
  - These steps cannot be rushed or skipped, and we are currently on-schedule.
  - In December 2012, we completed detailed electrification specifications for use across Metrolinx's railway network.
  - We have spent much of the past year using those specifications to design the electrification infrastructure for UP Express, and plan to have a preliminary design by late this year.
  - We will then put that preliminary design through the six month Transit Project Assessment Process to be completed mid-2014.
- If funds for the Next Wave are confirmed and the EA is approved by the Minister of the Environment, we will begin a multi-step implementation of electrification across parts of GO and UP, starting with UP as a first phase.
  - We have determined that although UP Express in isolation does not have a strong business case for electrification, when incorporated into a wider electrification program that includes the Lakeshore and Kitchener GO corridors, it makes sense as a logical first phase.
  - Following the EA, further detailed engineering work will be needed to design UP electrification prior to beginning construction.
  - In December 2010, we estimated that assuming EA approval and funding availability in 2014, 3 further years of work would be needed before we could start electrified service. We hope to refine this estimate by the end of the EA.

Key Facts

- UP Electrification only budget forecast is **$440 m** (from E-study 2010)
- **3 year** assumed gap between EA completion and commissioning, assuming funding in place (from E-study 2010)
- Both above figures to be potentially refined.
- Bill 84 prohibits diesel operation, it does not move electrification forward

Q & A

Q. Why has Metrolinx taken so long to realize what the community has known for years – that world class cities build electric trains?

- *Metrolinx has long believed that any rationally-designed future transit system for the GTHA will probably contain a mixture of electric and diesel trains.*
- *Both technologies make sense in the right circumstances, and both help us meet our environmental goals.*
- *In 2008 in The Big Move, we identified that electrification would likely be part of the future of GO lines, but it didn't quantify exactly where and when it made sense to make a switch*
- *In 2010, our Electrification Study informed us as to where—in the medium term—electrification makes sense, and earlier this year we amended The Big Move to reflect those findings.*

Q. Why isn't Metrolinx building the UP Express electric from the start?

- *Toronto residents have been waiting for the UP Express service for decades and had we decided to insist on electrification before moving forward it is quite likely we'd still be waiting for it years from now.*
- *We were directed to complete the project in time for the Pan Am Games, and in light of existing EA and timing construction, a Tier 4 diesel option was the only prudent option.*
- *We've estimated that electrification roughly doubles the cost to build the UP Express service and the additional $450m in funding was not available then, nor is it available now.*
- *All other factors being equal, a Tier 4 diesel version of the UP Express offers marginal differences from an electric version in terms of customer experience or community impacts. Our research indicates substantial benefits from electrification are only unlocked once we expand beyond an electric UP Express and achieve a partially-electrified GO network, which is a much bigger undertaking.*
- *Because we have taken care to protect for future electrification in our design, we do not believe that a hypothetical plan to build UP Express as electric initially would offer substantial cost savings compared to launching the service as Tier 4 diesel and then converting it to electric at a later date.*

Q. How do you respond to Bill 84, Mr. Schein's bill to prohibit diesel service to the airport ?

- *While respecting Mr. Schein's prerogatives as a legislator, it would be Metrolinx's advice that the Bill as written is not in the public interest.*
- *This Bill does not help us achieve electrification, it only prohibits us from operating an environmentally-responsible transit option we have worked hard to build.*

- *If passed, the Bill could leave us with a finished $456 million asset we could not operate without investing hundreds of millions of additional dollars that have yet to be identified and delaying start-up for several additional years.*
- *We are concerned that environmental or human health justifications have been cited for this Bill are not supported by scientific fact or good transit planning principles.*
- *Diesel propulsion is a safe and environmentally responsible choice for transit systems in many, many contexts, ranging from this specialized service to the vast majority of local transit corridors in the region, where diesel bus services will likely be the apt transit mode for the foreseeable future.*
- *Repeated study by international experts and independent assessment by regulatory agencies has confirmed that the UP Express service can be operated as a diesel service without negative repercussions on human health.*
- *We see no rational basis for Mr. Schein's singling out of this service, which is not even the highest-emission transit service operated by Metrolinx, much less anywhere else in the region.*

Q. Will electric service be in place in 2017 ?

- *We're moving diligently through the design process now with international engineering experts.*
- *Once we have a preliminary design, it needs to be cleared through the Transit Project Assessment Process. We are planning to commence the statutory TPAP process late this year. We can't presuppose approval, and we can't just skip environmental approvals, as some have suggested.*
- *Once we get through that stage, we'll be in a place where funding is the main question. With funding, we could move on to the next steps, which would be doing the final, detailed engineering, moving forward on electric trains, constructing the fixed infrastructure like substations and catenary, and commissioning/testing the new system.*
- *In 2010, we estimated that assuming EA approval and funding availability in 2014, 3 further years would be needed before we could begin electrified service. We hope to refine this estimate by the end of the EA.*

Q. How much will electrification cost?

- *Our 2010 estimate for the first phase being assessed in the EA right now – UP Express only --- is roughly $440m.*
- *The Investment Strategy quotes the combined cost of both that first phase and also electrifying GO Kitchener line services to the City of Brampton as roughly double that, $900m.*
- *The cost for electrifying Lakeshore and upgrading it to Express Rail is quoted in the Investment Strategy as a further $1.7 billion.*
- *We will have refined cost estimates once the EA process is complete.*

Q. In Country X they electrified Y miles of track in Z years. Why are you so slow?

- *I can't speak to the exact details of what was different about country x, but I should note that we've often heard apples-to-oranges comparison, where the time to construct over there is compared to the planning, design, engineering and construction time over here.*
- *Our timetables have been developed by international experts who have built many of these electrified systems and they reflect their honest assessment.*

- *Much more time is needed to get the planning and engineering right when you're electrifying for the first time rather than just expanding onto an existing system. Construction is only a small part of the timeline.*
- *We hope to get faster as our staff and our contractors become more familiar with electric rail infrastructure.*

Q. Don't electric trains cost less to operate? Didn't Metrolinx conclude it would save money in the long term?
- *We see the operating and maintenance cost savings as an important supporting reason for electrification but not a standalone one.*
- *The GO Transit Electrification Study's determined we would see moderate reductions in the operating and maintenance cost per trip operated with an electric system compared to an equivalent diesel system.*
- *However, the size of the annual savings is too small to make the capital investment self-financing.*
- *It's important to note the study compared electric and diesel in a future scenario where we were operating significantly more service than today, and thus spending more on operations than today.*

Q. Aren't there also human health benefits to electric versus diesel trains?
- *The impact of electrification on air quality is marginal because the Tier 4 standard is the toughest available. Tier 4 diesel is the strictest non-road engine emissions standard set by the U.S. Environmental Protection Agency (EPA).*
- *For GO locomotives, Tier 4 technology reduces airborne particulate emissions by 90% and nitrogen oxides (NOx) by 80%.*
- *The primary reason we have recommended electrifying the Kitchener and Lakeshore rail corridors is for transportation and operational reasons – reduction in travel times and reduction in maintenance expenses.*

Q. So what are the advantages of electric over diesel-powered trains?
- *The GO Transit Electrification Study's key findings are that some journey-time savings will be experienced by passengers on account of electric propulsion; with the greatest benefits where the most riders are travelling the furthest distances.*
- *Metrolinx recommended the phased electrification of the Kitchener and Lakeshore lines because of the transportation benefits.*
- *We will also see moderate reductions in the operating and maintenance cost per trip operated, which also contributes to the business case.*
- *The electrification of the UP Express is the first step toward this.*

Q.How do you justify building the only diesel airport rail link in the world outside of Bangladesh?
- *Compared to much of the rest of the developed world, Canada has an exceptionally limited amount of electrification of its national railway network. This is a product of a lot of historical factors probably best not discussed here.*
- *Globally, the main influence as to what an airport rail link uses for propulsion is what the existing railway network uses.*
- *Israel is another country that, like Canada, hasn't historically had electrification of its railways, and they also have a diesel airport rail link serving Ben Gurion Airport in Tel Aviv.*

BACKGROUND

Electrification Chronology

November 28, 2008: The Big Move adopted. Identifies electrification of "regional rail" as an option and says "express rail" will be "likely electric"

December 12, 2008: GO 2020 adopted. Calls for electric Lakeshore E+W and "potentially" electric Kitchener

May 26, 2009: Comprehensive E-study announced

October 5, 2009: Georgetown South and Air Rail Link TPAP EA received conditional approval from Ministry of the Environment, imposes air quality conditions including use of Tier 4

November 2009: E-study ToR completed

July 30, 2010: Minister transfers operational responsibility for ARL to Metrolinx

November 16, 2010: Board authorizes staff to enter negotiations for ARL DMUs

December 2010: Electrification Study completed. For first time, we have answers to the following questions:

- *Does it make sense to electrify if you assume 2020ish reference case service levels?*: Yes.
- *Where does it make sense?:* Lakeshore E/W, Kitchener & UP, assuming you do them as a bundle to spread fixed costs. No to other corridors for now, but answers might be different with higher services in more distant future.
- *Why?*: Transportation-user benefits and O&M costs to a lesser extent, but only marginal air quality or noise benefits
- *High-level cost*: We finally have one.
- *Staging:* Suggests UP first, not because of cost-benefit but because of logistics (smaller bite to chew, no Union electrification, don't have to convert or maintain a fleet of electric GO Trains),

January 26, 2011: Board adopts E-Study. Green light to begin general electrification PDE and UP Express EA

February 2011: Board authorizes execution of contract for ARL DMUs

November 2011: Consultant (Parsons Brinkerhoff) on-board to do Performance Specifications and the Preliminary Design for UP Express and Union Station Rail Corridor.

June 2012: Public Update Meeting

June 2012 – June 2013: Conceptual Design phase

- developed Performance Specifications for Electrification (completed **December 2012**)
- developed integrated EA process with Hydro One
- determine locations for electrification facilities: Traction Power Station, Switching Stations, Paralleling Stations
- Maintenance Facility analysis

June 2013: 4 Public Open House Meetings

June 2013 – November 2013: Preliminary Design phase ← **we are here**

- meeting with key stakeholders: City, GTAA, Freight Companies
- developing Preliminary Design for UP Express
- confirm location of electrification facilities and validate with Hydro One.
- document baseline conditions and review impacts due to electrification

November 2013 – Anticipated Commencement of Integrated Environmental Assessment with Hydro One.

November 2013 – June 2014: EA period proper

- refine Preliminary Design
- develop cost estimate
- respond to feedback from stakeholders/public
- refine design based on feedback received
- host second Public Open Houses

June 2014: Estimated date for Statement of Completion by Metrolinx; or…deal with Part II order (bump up request) as part of Hydro One Class EA

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11.1

Service Guarantee

Issue

In late 2012 GO Transit introduced a service guarantee, offering to reimburse rail customers the cost of their ticket if their trip was delayed more than 15 minutes for a reason under GO's control. GO has received a number of questions from the media regarding how much this initiative has cost the organization in refunds.

Key Messages

- The Passenger Charter commits that we will do our best to be on time.
- GO transit has consistently exceeded its own on time targets and enjoys one of the best performance records in North America.

Key Facts

Commercially Sensitive Information

- Our on-time performance was about 95% (Nov 2012 to Aug 2013)

Anticipated Questions

Q. How much has GO Transit refunded for the service guarantee so far?

Commercially Sensitive Information

Through our Passenger Charter, we have made a commitment to our customers to do our best to be on time. The Service Guarantee is part of GO Transit's ongoing focus on improving customer service.

Q. Do you have an overview of the delays these refunds were for?
The fare credit does not apply to delays caused by extreme weather, emergency investigations, on-board emergencies or any other circumstances outside of GO's control. Delays due to the following are eligible for the Service Guarantee: Equipment, signal, or switch problems; railcar door issues; train traffic; blocked tracks due to freight or VIA trains; construction or maintenance; and CN and CP signal issues.

Delays due to the following are eligible for the Service Guarantee: Equipment, signal, or switch problems; railcar door issues; train traffic; blocked tracks due to freight or VIA trains; construction or maintenance; and CN and CP signal issues.

From November 2012 to August 2013, our on-time performance was about 95 per cent, which impacts the total number of service guarantee claims.

Q. Was the fare guarantee instituted at the behest of the Government?

The concept of a fare guarantee was first introduced during the 2011 Provincial election, and reviewed by our customer service team for viability and implementation.

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GO Transit Brand Refresh

Issue

GO Transit recently announced an updated brand look. This includes a new paint scheme for locomotives and buses, to be rolled out as vehicles are brought in for necessary repairs.

Key Messages

- After 47 years, GO is updating its look.
  - The original GO logo was designed in 1966 – long before we had laptops, never mind mobile phones. The GO logo that everyone likes and recognizes is just being slightly tweaked to look better when used digitally.
  - GO's colours are also being refreshed. The original blue-green is identical to the MTO highway signs. The new shade of dark green harmonizes better with UP Express, PRESTO and Metrolinx. Some secondary colours will provide accents to the new dark green.
  - We are in the processing of painting GO Buses and GO Trains with the new look to put into service, and the public will soon begin to see them around the GTHA.
  - The exterior of these vehicles is being brightened with a new look to symbolize the changes happening inside of our organization.
- GO Transit has evolved from a train and bus company to a customer-focused transit agency. This new, fresh look supports GO's continued focus on meeting the needs of our customers and keeping our system updated.
  - Several of our bi-levels rail coaches have been in operation for over 30 years, without updating.
  - Buses and trains will only have the new colours applied as part of the refurbishment process or when a new vehicle is ordered.
  - GO Trains and Buses have become iconic – they are highly visible and recognizable to commuters even from a distance, and are an integral feature of this region's landscape.
- The refreshed look of our trains and buses is an extension of the improvements happening across our organization.
  - Over time, the new look will be reflected at all stations and on all vehicles.
  - In the future, as we open new stations and refresh older stations, we will begin to incorporate the new designs at our stations.
  - For example, a refreshed design is scheduled for James Street North in Hamilton when it opens in 2015. The new designs will also be featured as part of the revitalization of Bloor Station – a mobility hub featuring Bloor GO Station, a future stop on the Union Pearson Express and the Dundas West TTC station.

Key Facts

- Original GO logo designed in 1966
- Several bi-levels rail coaches have been in operation for over 30 years, without updating
- New colours only applied as part of the refurbishment process or when a new vehicle is ordered
- GO Transit operates 203 train trips and 2,184 bus trips

Anticipated Questions

Q. Why are you changing the design and colours of your trains and buses?

After 47 years, GO is updating its look. The original GO logo was designed in 1966 – long before we had laptops, never mind mobile phones. The GO logo that everyone likes and recognizes is just being slightly tweaked to look better when used digitally.

GO's colours are also being refreshed. The original blue-green is identical to the MTO highway signs. The new shade of dark green harmonizes better with UP Express, PRESTO and Metrolinx. Some secondary colours will provide accents to the new dark green.

GO has painted several GO Trains and GO Buses to put into service, and the public will begin to see them around the GTHA. The exterior of these vehicles is being brightened with a new look to symbolize the changes going on inside. In order to control costs, the new look is being applied to fresh orders and ongoing refurbishments.

It should be noted that several of GO's bi-level coaches have been in operation for over 30 years, without updating. However, eventually, the new colours and designs will be reflected at all stations and vehicles.

GO Transit has evolved from a train and bus company to a customer-focused transit agency. The new, fresh look supports the new perception GO has been trying to achieve with customers over the last while.

Q. How much money are you spending to paint your buses and trains with the new colours and designs?

There are no new costs applied to the new designs for our vehicles, as these improvements are part of the original contract price when we first purchased the vehicles.

Our plan is for the buses and trains to only have the new designs applied as part of the refurbishment process or when a new vehicle is ordered.

It's also important to remember that several of our bi-levels rail coaches have been in operation for over 30 years, without updating.

Q. Wouldn't this money be better spent on new trains and buses?

There are no new costs applied to the new designs for our vehicles, as these improvements are part of the original contract price when we first purchased the vehicles.

GO Transit has evolved from a train and bus company to a customer-focused transit agency. GO Transit continues to focus on the goal of meeting the goals outlined in our Passenger Charter, and one of those commitments to make the customer experience more comfortable for our passengers.

GO Transit remains committed to add new trains and buses to our system to accommodate our growing ridership, and estimated 65.5 million boardings in 2012 alone.

Each weekday, GO Transit operates 203 train trips and 2,184 bus trips throughout the region and beyond, as of June 28, 2013.

Slow progress towards two-way all-day

Issue

Expanding two-way all-day service to lines other than the Lakeshore has been announced repeatedly for decades, including a commitment in the current government's most recent election platform. However, dissatisfaction is commonly expressed that we appear no closer than we were some years ago.

Key Messages

- Over the past few years and in the next few years, Metrolinx is investing billions in new and improved capital assets which lay the groundwork for two-way all-day service:
  - We've invested significantly to acquire railway corridors from the commercial railways --- Metrolinx now owns 68% of GO's corridors, up from a mere 6% 15 years ago.
    - Ownership of railway corridors allows us to scale up the number of trips we operate without having to pay the railways more access fees
    - Ownership allows us more flexibility in what and how we build infrastructure improvements to grow capacity
  - We've grown our fleet, adding BiLevel coaches made in Thunder Bay and new Tier 4 locomotives
  - We're building a new maintenance facility in Whitby that will double our capacity to maintain trains
  - We're moving forward on the Georgetown South project that will permit introduction of expanded two-way GO Kitchener line service and bring us a giant step closer to comprehensive two-way all-day service on that corridor

- Comprehensive two-way all-day service on all corridors will be transformative investment in the region that will deliver tremendous benefits, but it is also a major expense that will require dedicated investment tools.
  - Metrolinx agrees that GO two-way all-day is a huge priority – that's why we put it in the Next Wave.
  - Metrolinx's benefits case analysis work has confirmed that GO expansion offers strong "bang for the buck"

- Our GO bus services currently fill the reverse-peak and off-peak role on the other 5 corridors and provide fast, frequent, comfortable service that is without peer at other regional rail operators in North America.

- GO two-way all-day is not a single project like a new LRT line, but rather a lengthy, incremental and complex process.

- All GO services have historically been grown on an incremental basis. GO started with two-way service between Oakville and Pickering and has grown from that.
- Every line has its own unique mix of challenges --- for example, on the Milton line we have to work with a private sector corridor owner for almost the entire length, while on the Barrie line we started with a railway corridor that lacked even a modern signalling system.
- We have to keep many balls in the air at once as we grow our service – the number of crews that have been trained, the size of our fleet, the capacity of facilities to refuel and maintain our fleet, track and signal capacity on the lines, and the amount of available capacity at Union Station --- fall short on one and you can't fully make use of expansions of the others.

Anticipated Questions

Q. The government promised to bring in two-way all-day. When will we see it?

We are unable to supply completion dates for projects where funding has yet to be confirmed. Introduction of comprehensive two-way all-day service to five additional lines was established in the Metrolinx Investment Strategy to be part of Metrolinx's "Next Wave" of projects to be funded by new dedicated investment tools, which reflects its status as one of the Greater Toronto and Hamilton Area's highest priorities. The specific proposed construction sequencing of the various projects in the Next Wave has not yet been determined.

Q. Why did you introduce 30 minute service on the Lakeshore line before introducing even rudimentary two-way service on the ___________ line?

Metrolinx has been making investments in the capacity on every line.

In the case of Lakeshore, we've completed some improvements in the last several years that added an extra track to a couple of bottlenecks and completed the purchase of the vast majority of the corridor, which enabled us to finally introduce 30 minute service after a decade of advance preparation. The Lakeshore lines are our oldest lines that have been in operation since 1967 and consequently have the highest ridership and most well-developed market.

However, even as we were expanding Lakeshore's tracks, we were also investing in improvements on other lines – new grade separations so Barrie, Kitchener and Stouffville trains will not have to wait for freights, passing tracks, and of course the Georgetown South project, which is GO's largest single civil works program that will permit introduction of expanded two-way GO Kitchener line service and bring us a giant step closer to comprehensive two-way all-day service on that corridor.

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11.4

Union Station capital cost performance

Issue

Audit Working Papers

Key Messages
Doing nothing is not an option.
- Union Station is the most important single transportation asset in the country.
- The station operates at capacity every weekday and portions of the station are in poor condition

The Union Station precinct contains multiple overlapping projects led by different players, with a variety of funding arrangements
- In part, this reflects divided ownership: the station building is owned by the City of Toronto and the train shed and railway corridor is owned by Metrolinx.
- Metrolinx is funding and leading certain projects in the Union Station precinct (ie train shed; UP platform), has made fixed-price contributions to other projects led by the City of Toronto (ie purchase of new, larger concourses, share of the cost of the PATH extension; purchase of office space for Mx Head Office), and has no financial involvement in others (ie TTC subway station second platform)
- We have a productive and effective working relationship, however, each partner takes responsibility for the projects they lead, including any unexpected costs.

Union Station is exceptional; the unique construction challenges we face there are not reflective of Metrolinx's other transit expansion projects
- We are replacing and upgrading infrastructure that in many cases has not been touched since it was built in the 1920s
- Union Station is a National Historic Site, and all work is subject to a strict Federal approval process that continues through construction, and supercedes other requirements such as the Building Code, accessibility requirements, and the functional requirements of Canada's busiest transportation facility.
- In many cases, original plans are incomplete or inaccurate and unforeseen conditions are frequently encountered which require design changes which delay construction
- It's an incredibly complex site with overlapping projects and owners, and we're required to coordinate with third parties such as the City of Toronto , the Toronto Transit Commission, and VIA Rail Canada, which can limit our flexibility
- In order to keep the station operational and safe during construction, extensive temporary work is required which adds to the cost and extends the construction duration

- Some expertise is so specialized to this particular site, such as the existing signal system, that we were unfortunately reliant on single-source options in terms of vendors

Metrolinx has taken steps to permanently improve its ability to construct and maintain infrastructure at Union Station, and prevent similar challenges elsewhere in the future

- The process for new large scale capital projects has been enhanced to include additional Board approval prior to tendering, additional reporting requirements for project cost increases, and a more formal risk register.
- GO Transit is moving away from dependence on the previous owner, TTR, for work on the railway corridor, and timelines are set out in the maintenance agreement. This process is lengthy as GO is dependent upon the contractor for operation and maintenance of the 1920s vintage signal system. No other contractor would have the expertise to carry out the work and maintain continuity of operations.
- Changes were made in March 2010 that placed full project management responsibility for the Union Station switch replacement program with GO Transit rather than an external consulting firm.

Top Questions

Q. Recent media reports say you're $80m over budget?
I'm afraid there's been some misunderstanding. Union Station is actually multiple projects, not one, and I believe you're referring to a project led by the City of Toronto.

The overall Union Station precinct contains multiple overlapping projects led by different players, with a variety of funding arrangements. This reflects divided ownership – the station building is owned by the City (portions are being purchased by Metrolinx), the train shed by Metrolinx. We have a productive and effective working relationship with our partners at the City of Toronto, TTC, Waterfront Toronto and others. The proponent of each project bears responsibility for that project's delivery on-time and on-budget.

While Metrolinx is funding and leading certain projects in the Union Station precinct (ie train shed; UP platform), our involvement with the project you mentioned is much more limited. Metrolinx has provided a fixed-price contribution to the City of Toronto of $172 million for the purchase of two new, larger concourses, purchase of the West Wing office space, and a contribution towards the NW PATH

Metrolinx has also contracted with the City for additional work beyond the original agreement because it was determined that it would be more efficient for their contractor to deliver it rather than ours. This primarily includes $24M for the completion of stair and elevator work at platform level (the City is responsible for the work below platform level). Another $6.8M has been committed for additional stairs and elevators, prebuilding a portion of a future PATH connection across Bay St, and elective asbestos removal in the West Wing. These changes beyond the original agreement are fully-budgeted within the City's project budget and the $80 million overrun does not refer to them.

It would be inappropriate for me to comment on how our partners are going about project delivery. Ultimately, Metrolinx is not responsible for any cost overruns.

Q. The City's asking you to pay, though?
Although it has been reported in the media that the City will be asking, Metrolinx has not yet received a request. The staff report to the City's Government Management Committee did not suggest that Metrolinx was, or should be, responsible for their increased costs.

Audit Working Papers

Q. What changes were made to improve oversight and reduce risk?
In September 2010, GO hired a Manager dedicated entirely to the Union Station train shed project. Numerous changes to the project plan, construction methodologies and organization were made. The project budget and schedule was revised in April 2011.

Since April 2011, the project has been tracking to the revised schedule with the atrium to be completed by the end of 2014, and the balance of the renovation work by the end of 2016. The project is also tracking the revised budget, although there are a number of pressures. Some of the pressures include advancing deterioration of the 8.6 acre roof necessitating temporary work not originally planned for, reduced construction windows due to increases in train service, and incorporation of work that was originally to be carried out under other projects.

We've also moved to make more use of pilot projects when we do Union Station work under uncertain conditions. An example would be switch heaters, which are installed for most switches in the USRC to prevent the build-up of snow and ice, which causes service disruptions. Rather than issue one large, multi-year purchase order, a smaller purchase order was issued for the work in one season

Q. Is this just the tip of the iceberg? How many other GO projects are over budget? If you took all the GO contracts and total their value at time of award, and then total their final cost once the contract is completed, what would be the differential?•
Union Station is an exceptional project; the unique construction challenges we face there are not reflective of Metrolinx's other transit expansion work

From 2008 to now, we have awarded 246 procurements. 29 of the contract awards are $10 million or greater, and 9 of those are significantly advanced and/or completed.

The differential between the total of these contract awards and their final contract cost is 5% (on average, for the sample set stated, we spend 5% more than the awarded value). This includes the Union Station Trainshed contract.

The Union Station Trainshed contract, on its own, is currently planned to spend 9% more than the awarded value.

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11.5

CN/Scott Holmes allegations

Issue
Former CN employee Scott Holmes has alleged CN defrauded GO Transit of millions in costs when GO funded a CN-led project to expand a railway corridor in Burlington.

Key Messages
We are aware of the allegations and we are considering them seriously.

- As soon as we heard about the allegations we called for an immediate audit.
- Metrolinx is committed to ethical and prudent investment of public funds

We currently have auditors reviewing the information.

- Within our contracts with CN we have the authority to audit their records and this is currently underway
- Our internal audit department has brought in external forensic auditors to ensure a thorough investigation.
- It would be imprudent to discuss the substance of the allegations any further without the benefit of the audit results.

GO Transit must collaborate with the commercial railways to deliver our services to the public.

- GO Transit has collaborated with the commercial railways since 1967 and we expect that we will need to continue to have a working relationship for the indefinite future
- GO Transit has reduced its reliance on the commercial railways, by acquiring large proportions of railway corridors on a willing-buyer willing-seller basis, as well as transitioning our main operating contract from CN to Bombardier.
- We expect to continue to reduce our reliance by assuming control over rail traffic control in a few more years.
- For the foreseeable future, we expect to continue to operate trains over CN- and CP-owned track, occasionally fund capital improvements on CN- and CP-owned corridors, and accommodate freight trains on trackage we own to service industrial customers.

Key Facts

Commercially Sensitive Information

- As of 2013, Metrolinx has complete ownership of the Barrie, Stouffville and Lakeshore East lines; significant portions of the Lakeshore West, Richmond Hill, and Kitchener lines; and a small portion of the Milton line.

Top Questions

Q. Is Daryl Barnett still working for Metrolinx? Why?
GO Transit relies on many former employees of the commercial railways , and we rely on their expertise to deliver results for the public. It would be inappropriate to discuss the details of individual personnel issues in this forum, but I can confirm Mr. Barnett is currently actively employed as GO Transit's Director of Railway Corridor Infrastructure.

Q. Did GO Transit pay for these improvements and then pay more to acquire the tracks afterwards? Why would you ever pay for improvements you didn't own?
The segment of track discussed in Mr. Holmes's allegations was and continues to be owned by CN. However, in some other locations, we have first helped fund CN's capital improvements and then some time later purchased the corridor from them.

The track that was built was not for sole use by GO. If CN wants to run a freight over it, and move one of our trains onto another track, they can do it.

Where GO Transit runs on CN tracks, the relationship is much like that between a "tenant"—GO—and a "landlord", CN. If you're a tenant and you want a new kitchen countertop in your apartment and you're willing to pay for it, the landlord owns that improvement, you don't. He also has the right to decide whether he'll do the work himself or let you hire a contractor.

When GO runs on a CN corridor, we are there at their pleasure. Our only rights are those embedded in our contract, and if we don't like it, we can stop using their tracks. If GO starts to get in the way of CN's freight operation, they can tell us to get off their property, or pay for more infrastructure. The need is ours.

Q. So how can you secure competitive pricing? Isn't this a recipe for the public getting fleeced?
CN continues to own track in the GTHA and this will remain the case for the foreseeable future. We expect that going forward, there will continue to be situations where we have to either work with CN or not provide and we have developed internal controls to ensure these contracts are appropriate.

The master contracts are negotiated between GO Transit and CN. Each project quote is, prior to agreement, reviewed by GO Transit and subject to adjustment following negotiations between GO Transit and CN.

Progress on projects is subject to physical review by GO Transit personnel prior to project completion. GO Transit has the right, under the master contracts, to perform audits of projects and work performed by CN.

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GO/TTC Fare integration

Issue
The TTC has the most limited degree of fare integration with GO of all the GTHA MSPs, and GO fare integration has commonly been suggested as a ready solution to TTC congestion. Following a recent meeting with Cllrs Layton and Stintz and a TTC Board motion, there is heightened interest in a pilot project

Key Messages
Content elsewhere in the binder (predominantly 1.3 and 9.1) plus new content to be aggregated here

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12.1

PRESTO Costs

Issue
There have been a number of criticisms about the overall costs of the implementation and operation of Presto

Key Messages

- PRESTO is a world class system that is replacing aging fare collections systems that have existed for decades across the GTHA, with the industry best practice of integrated automatic fare collection
- PRESTO is growing – to extend the system to new regions and deliver new services to our customers; expansion of PRESTO has been necessary, effective and efficient.
- The success of PRESTO means there is growing demand for the PRESTO to expand to new communities. We are meeting this demanding and continuing to improve the state of the art system. In a few short years PRESTO has grown from one project to four. Now in addition to the GTHA we are working on the next generation of PRESTO as well as implementing this enhanced system throughout the TTC and Ottawa.
- In total, by 2016 PRESTO will be serving over 2.6 million customers
- The capital cost of PRESTO for the system in the GTHA is $189M
  - The City of Ottawa capital budget is $40 million
  - The TTC capital investment is estimated to be $255 million
  - For PRESTO Next Generation, (2.1 and then 3.0) the anticipated budget is $236M.

Key Facts

- By 2016 PRESTO will be serving over 2.6 million customers
- capital cost of PRESTO in the GTHA is $189M; City of Ottawa capital budget is $40M; TTC capital investment estimated to be $255M
- PRESTO Next Generation, anticipated budget is $236M
- Upon full rollout, the cost of PRESTO per ride is 14 cents
- 750,000 PRESTO card users in the GTHA and Ottawa; adding an average of over 35,000 customers each month.

Commercially Sensitive Information

- 68,000 customers to over 605,000 and growing

Anticipated Questions

Q. PRESTO is the most expensive system in the world. What is the true cost of PRESTO?

- *With nine transit systems using multiple fare structures, serving a population of over 6 million people, implementing PRESTO is one of the most advanced fare card projects currently underway globally.*
- *Research conducted by Grant Thornton Raymond Chabot Infrastructure Inc., supports our position that, when the full rollout of PRESTO has occurred (across the*

GTHA), PRESTO's cost per ride will be comparable with similar fare card systems such as London's Oyster card, The Netherlands OV-chipkaart and the Chicago Card.

- *PRESTO is more cost effective than having multiple proprietary systems that are then integrated at the back end, with the limitations associated with that.*
- *PRESTO is growing - to extend the system to new regions and deliver new services to our customers; expansion of PRESTO has been necessary, effective and efficient.*
- *PRESTO is delivering 4 projects and expanding to meet demands of extending to new regions and to remain on the cutting edge of technology*
- *We have already successfully delivered 3 of 4 projects - GTHA, PNG and Ottawa*

- *The capital cost of PRESTO for the system over a ten year period (ended 2016) is estimated to be:*
  - The GTHA capital is $189 million
  - The City of Ottawa capital is $40 million
  - The TTC is capital investment is estimated to be $255 million
  - For PRESTO Next Generation, (2.1 and then 3.0) the anticipated budget is $236M.
- *We are open and transparent about the budgets for these projects. These are easily and readily available to the public and anyone who is interested at www.metrolinx.com*

Q: What is the cost of PRESTO per rider?

- *Research conducted by Grant Thornton Raymond Chabot Infrastructure Inc., supports our position that, when the full rollout of PRESTO has occurred (across the GTHA), PRESTO's cost per ride will be comparable with similar fare card systems such as London's Oyster card, The Netherlands OV-chipkaart and the Chicago Card.*
- **Commercially Sensitive Information**

Q: This government appears to have a track record of spending out of control with no oversight and few results…..

- *As of August 2013 , there are over 750,000 PRESTO card users in the GTHA and Ottawa and we are adding an average of over 35,000 customers each month.*

Commercially Sensitive Information

- *The Grant Thornton value for money analysis concluded that PRESTO is the most cost-effective option for taxpayers.*
- *Since PRESTO rollout across the GTHA was completed in August 2011; usage has grown from 68,000 customers to over 605,000 and growing*
- *PRESTO expansion to Ottawa is complete and our focus now is TTC.*
- *By 2016 PRESTO usage will grow to more than 2.6 million customers*

Q: What is the difference between operating and capital on this project?

- *PRESTO is delivering four major projects. The estimated capital and investment from inception to 2016 to deliver these projects are:*
- *The capital cost of PRESTO for the GTHA is $189 million*
- *The City of Ottawa capital budget is $40 million*
- *Our TTC capital investment is estimated to be $255 million*
- *For PRESTO Next Generation (2.1 and then 3.0) the anticipated budget is $236 million*

- *These budgets are open and transparent and are easily and readily available at www.metrolinx.com*

- *As well, it costs money to operate any payment processing system. These operating funds cover the staff that answer questions from PRESTO card holders (customer support), that manage the fare cards, that ensure transaction processing and proper settlement with Transit Service Providers occurs, that customer card balances and bank account are correct, that manage device maintenance and other infrastructure (e.g., a help desk for Transit Service Providers)*

Audit Working Papers

Audit Working Papers

PRESTO – Ottawa

Issue
Originally intended July 2012 launch across OC Transpo was delayed due to technical reliability and performance issues with system.

Key Messages

- Full deployment of PRESTO in Ottawa is nearly complete. Metrolinx and OC Transpo have successfully worked together to bring PRESTO to riders throughout Ottawa
- OC Transpo riders have shown great enthusiasm for PRESTO — more than 160,000 people in Ottawa have picked up their PRESTO cards since April 18th. That means well over 1000 cards a day have been handed out, on average, since full deployment began.
- In Ottawa, we've learned lessons that we'll carry forward in the future to ensure successful technical and operational deployments, and a positive customer experience.
- Metrolinx has worked in close partnership with OC Transpo to resolve all system issues experienced last year and we have delivered on our commitments to OC Transpo

Key Facts

- 160,000 PRESTO users in Ottawa.
- 1000 cards a day have been handed out, on average, since full deployment began.
- PRESTO is being used by more than 750,000 people in the GTHA and Ottawa.

Anticipated Questions

Q: Media reports of various technical glitches regarding the PRESTO system (Frozen devices (Winter 2013), Period Passes not available in Ottawa (Summer 2013), Transit Usage report delays (Winter 2013))

- *PRESTO is a proven success – today PRESTO is being used by more than 750,000 people in the GTHA and Ottawa.*
- *Implementation of the PRESTO system is a complex technology project. Projects of this nature do tend to experience some challenges. This was confirmed in the bench marking*
- *We want our customers – both transit agencies and cardholders — to have the best experience possible with PRESTO and we work diligently to ensure any issue is resolved in a timely manner as soon as it arises.*
- *The success of PRESTO means that there is a growing demand for the payment system to expand to new communities, including Ottawa and the TTC, and to provide*

new services and conveniences to customers. We are meeting this demand and will continue to improve the state-of the art system.

- *As the technology continues to advance, PRESTO will add more functionality and conveniences for our customers including additional services and other payment forms*

Q: The PRESTO contract and project has been mismanaged with little oversight.

- *PRESTO is about improving the transit experience for all people — commuters, seniors, students and families and that's why we're focused on delivering the best fare card system.*
- *Metrolinx put in place a number of accountability measures to ensure there we protected taxpayers.*
- *In 2011, Metrolinx management engaged Grant Thornton to assess the value for money on the PRESTO project. In its report dated December 22, 2011 Grant Thornton concluded that the overall cost of the PRESTO system compared favourably to similar projects.*
- *Grant Thornton, a leading Cdn accounting and business advisory firm - determined in 3 key decision points (creation of PRESTO in 2004; development of PRESTO Next Generation in 2009, and TTC expansion in 2012), confirmed that value for money was created in each instance.*
- *An evaluation of the contract conducted by former Ontario Supreme Court Justice Coulter Osborne has demonstrated PRESTO is the most cost-effective option for taxpayers.*

Q: What would we do differently?

- *Today, we have placed greater internal controls and oversights with regard to change orders. We are ensuring that our process is more efficient and effective.*
- *Value for money analysis has been undertaken at key decision points to ensure we are being provided independent third party analysis on the cost benefits of our decisions.*
- *We have begun to implement a plan to ensure that there is more open procurement to ensure competitive bidding.*

PRESTO – TTC

Issue
TTC is the last system in the GTHA to integrate Presto. Questions have been raised about the technology and pace of implementation.

Key Messages

- *Implementing PRESTO across the TTC is key to achieving Metrolinx's vision of an integrated payment system throughout the Greater Toronto and Hamilton Area.*
- *When PRESTO is fully deployed throughout Canada's largest transit agency, there will be more than 10,000 PRESTO devices in streetcars, buses, subway stations and self-service kiosks for the 1.7 million customers who rely on the TTC every day.*
- *As technology has advanced and transit partners' specific needs and parameters have changed so has PRESTO. Investments in technology enhancements to support transit partners that allow for the continuing evolution of technology increases the value of PRESTO to taxpayers. Technology advances quickly and we need to evolve to remain on the cutting edge.*
- *We are in a long term partnership with TTC and are committed to ensuring our customers have the best experience possible with PRESTO*

Key Facts

- At full deployment, there will be more than 10,000 PRESTO devices in streetcars, buses, subway stations and self-service kiosks for the 1.7M TTC customers
- *PRESTO is used for an average of 21,000 rides every day at 14 TTC subway stations*
- TTC estimate PRESTO will save them approx. $10M annually
- In Ottawa, 160,000 PRESTO users. Over 1000 cards a day have been handed out since deployment.

Anticipated Questions
Q What is the status of TTC Presto Implementation

- *Currently, PRESTO is used for an average of 21,000 rides every day at 14 TTC subway stations, full deployment begins next year on TTC's new streetcars and is expected to be complete in 2016.*
- *Today the TTC accounts for the second highest use of PRESTO in the Greater Toronto and Hamilton Area. When fully deployed PRESTO will replace an aging fare collection system with an advanced e-fare payment system.*
- *PRESTO is part of the TTC's modernization agenda and they have estimated PRESTO will save them approx. $10 million annually.*
- *PRESTO and the TTC are working together in a long term partnership to deliver a state of the art system to all TTC customers. We are full steam ahead and focused on a successful roll-out.*

Q: ACS Xerox – Why is PRESTO (TTC) costing taxpayers $300-million when the ACS e-fare system would have been built at no cost? PRESTO was forced on the TTC when it preferred the ACS system.

- *Accenture won a competitive bid in 2006, in a manner consistent with public procurement particularly of this scale, cost and intended deliverables.*
- *A significant capital investment is required to implement a modern electronic fare card system regardless of which system is used. It is simply false to state otherwise.*
- *With respect to the TTC, in the ACS model, the company front-ends the costs and recovers its money over 10 years through service charges and fees. In the PRESTO model, we cover the costs upfront and recoup through a lower service charge (5.25% versus the 5.35% proposed by ACS)*
- *Having one system throughout the region is mutually beneficial for everyone. Two independent systems cannot effectively co-exist and provide an integrated regional customer service that would be seamless and easy, without costly integration, complexity and constraints.*
- *Metrolinx has encouraged ACS to consider being a proponent in the upcoming open procurement for TTC.*

Q: Ottawa implementation was delayed nearly one year, how do we know the same won't happen in Toronto?

- *Full deployment of PRESTO in Ottawa is nearly complete. Metrolinx and OC Transpo have successfully worked together to bring PRESTO to riders throughout Ottawa*
- *OC Transpo riders have shown great enthusiasm for PRESTO — more than 160,000 people in Ottawa have picked up their PRESTO cards since April 18th. That means well over 1000 cards a day have been handed out, on average, since full deployment began.*
- *In Ottawa, we've learned lessons that we'll carry forward in the future to ensure successful technical and operational deployments, and a positive customer experience.*
- *Metrolinx has worked in close partnership with OC Transpo to resolve all system issues experienced last year and we have delivered on our commitments to OC Transpo.*

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12.4

Relationship with Accenture

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13.1

Hamilton GO Rail Expansion

Issue
Two way all day service, James St. North station status.

Key Messages
1. Metrolinx will provide increased service to Hamilton in support of the Pan Am Games.
   - The James Street North GO Station is funded and will be constructed in time for the 2015 Pan Am Games.
   - During the Pan Am Games, we will provide special event train service for the significant events at Ivor Wynne Stadium (soccer). We can provide more details on the service when we know the dates and times of the Pan Am Games events.
   - Negotiations are underway with the railway companies to secure access to the rail tracks to finalize the number and timing of trains.

2. Metrolinx is committed to providing and funding two-way all-day service to Hamilton.
   - Building the James St. North GO Station will provide increased service to Hamilton in 2015.
   - Additional improvements and service level commitments are necessary before we can offer two-way all-day service.
   - Metrolinx is working with CN and the City to plan out further service increases over time, linked to the necessary infrastructure investments
   - Since 2008 GO Transit has implemented 12-car trains for stations along the Lakeshore West corridors, including Hamilton. The addition of the two rail cars has allowed each 12-car train to accommodate another 300 new riders per train – a 20 per cent increase.

3. The service details for the Pan Am Games and two-way all-day are still being determined.
   - During the Pan Am Games, we will provide special event train service for the significant events at Ivor Wynne Stadium.
   - We can provide more details on the service when we know the dates and times of the Pan Am Games events.

Top 3 Questions
Q. Will GO offer full two-way, all-day service once the new station is built?
When the James Street North station opens in 2015, we plan to introduce peak-period service, including additional service to support the Pan Am Games. During the Pan Am Games, we will provide special event train service for the significant events at Ivor Wynne Stadium (soccer). We can provide more details on the service when we know the dates and times of the Pan Am Games events.
Additional improvements are necessary before we can offer two-way all-day service. Metrolinx is working with CN and the City to plan out further service increases over time, linked to the necessary infrastructure investments

Q. Why can't Metrolinx commit to a timeline for two-way all-day? Why has it taken so long?
All passenger trains beyond Burlington must make use of railway corridors owned CN and/or CP. Metrolinx continues to work with CN to plan out further service increases over time, linked to the necessary infrastructure investments.

Q. Does Hamilton need to choose between two-way all-day GO service to James N/Confederation or LRT?
No. Expansion of GO service and LRT are not competing projects, and there is no need for Metrolinx or Hamilton City Council to decide between them. Metrolinx has already committed to providing two-way, all-day GO service to Hamilton. Separately, Metrolinx's Investment Strategy included LRT in its Next Wave of Big Move projects to be funded by dedicated investment tools.

Hamilton (L)RT

Issue

Over the past several years, Metrolinx has alternated between referring to Hamilton's east-west rapid transit corridor as "rapid transit" versus "light rail transit". The most recent period in which the project was referred to "rapid transit" prompted criticism of Metrolinx from many of that projects firmest champions, who overwhelmingly want LRT technology, that Metrolinx was reneging on past commitments and might offer cheaper bus rapid transit.

Key Messages

- In the Investment Strategy, Metrolinx made clear that the Next Wave project it contemplated building in Hamilton would use LRT technology.
- Metrolinx has worked closely with the City of Hamilton to bring the project to a further state of readiness
  - An environmental assessment and preliminary design have been completed that specify LRT technology, funded entirely by Metrolinx.
  - Hamilton's city council has adopted the "Rapid Ready" report confirming LRT is the preferred alternative for the corridor.
- The project will dramatically improve the quality of service on the city's busiest transit corridor while contributing to the revitalization of Hamilton's downtown core.
- We need dedicated investment tools to build the Hamilton LRT.

Anticipated Questions

Q. What the heck is an 'RT'?

- *RT just means "rapid transit", which could refer to any one of many different types of transit mode, from subways to GO Trains to LRTs to BRTs. In circumstances where we want to refer to a particular transit corridor but don't yet know the exact technology, Metrolinx has used "RT" as shorthand in its name, such as "Brampton Queen Street RT".*
- *In particular, The Big Move does not distinguish between LRT and BRT lines: it groups both under the heading "other rapid transit" and we subsequently conduct project-specific benefits case analyses (BCAs) to inform which technology to pursue. That means transit lines in this class are the ones that are most commonly referred to with the "RT" label.*

Q. Why did Metrolinx suddenly start referring to the line as an 'RT' and then change back?

- *Metrolinx initially used the RT label. A BCA for Hamilton's project was completed in 2010 that did not conclusively determine whether to use LRT or BRT, so we continued to use it.*
- *Planning later proceeded assuming an LRT project, and we began to refer to the project as an LRT.*

- *In November 2012, we were requested by an official from the City of Hamilton to revert to the 'RT' terminology because there were concerns it presupposed endorsement of that technology prior to Council's consideration of a major report that was due to be completed in a few months time.*
- *Council ultimately adopted that report ("Rapid Ready") which specified LRT, in February 2013.*

Q. Why is Metrolinx proposing that Hamiltonians pay for their project when Toronto got its projects for free? Why not follow that formula again?

- *There has been no change to a funding "formula".*
- *Immediately after the Big Move was completed, the provincial government put forward funds from general revenues to 'jump start' Big Move implementation. Funding was allocated to those projects that were nearest to being "shovel ready", which ended up making up what we're now calling the First Wave.*
- *An Investment Strategy with dedicated investment tools to pay for subsequent projects was always planned.*
- *When $9.5 billion in provincial funding was announced in April 2009, Hamilton was still very early in its rapid transit journey – the corridor had recently been prioritized, but there was not yet confirmation whether it would be LRT or BRT. Meanwhile, the City of Toronto and York Region were much more advanced in planning their LRT and BRT projects.*
- *Metrolinx fully-funded the right kind of investment that project needed at the time: preliminary design and an environmental assessment. Hamilton was the only community to receive that kind of funding support for early work.*
- *In its Investment Strategy, Metrolinx proposes to fund 100% of this project's capital and lifecycle costs as well as the Metrolinx share of operating costs. Metrolinx will also contribute additional funding back to the City of Hamilton to fund its local transportation priorities. The City will not be asked to fund the LRT's construction.*

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13.3

Milton Two-Way All-Day GO Rail Service

Issue
Elected officials, stakeholders and the public in Milton are unhappy about the fact that the Big Move Update moved 2WAD to Milton the 25-year vs the 15-year plan

Key Messages

- The Big Move continues to contain two-way all-day service to Milton
  - Following recent amendments, it includes 2WAD service to Meadowvale in the 15-year timeframe and then an incremental expansion to extend that level of service from Meadowvale onwards to Milton in the 16-25 year timeframe
  - GO expansion is typically an incremental process.

- There are numerous complexities and large infrastructure costs associated with this shared corridor that Metrolinx continues to evaluate.
  - With the exception of the 8 km nearest Union owned by Metrolinx, the Milton line is entirely owned by CP, making it the least-Metrolinx-controlled owned of the seven GO lines.
  - CP uses the line as a crucial transcontinental freight corridor, and introducing two-way, all day service would likely require substantial infrastructure improvements that must be agreed-to by the owner of the corridor.
  - Discussions have been ongoing, and recent improvements such as the addition of an eighth daily round trip have been an outcome of productive negotiations
  -

- Milton does benefit substantially from the investment in the line that is contemplated as part of the Next Wave
  - Additional peak period GO Train service to and from Milton will be made possible
  - We expect to offer connecting bus service during off-peak periods
  - The infrastructure expansion 'downstream' is a prerequisite to two-way, all-day service on the entire line, and every dollar we spend moves Milton closer.

- The "Next Wave" of projects and additional investment in our transportation system will deliver benefits to residents of Milton and the GTHA
  - Milton residents will benefit from new dedicated funding for local transit, roads and highways, active transportation and other initiatives
  - Milton residents will benefit from investments in infrastructure beyond the Town's boundaries that will fight the regional-scale traffic congestion that threatens our shared economic future.

Top 3 Questions

Q. Why did you cut GO expansion to Milton from The Big Move?

We did not. The Big Move continues to show two-way, all-day GO service to Milton. The only thing that changed was the time period we anticipate seeing it completed.

For several years, there had been a few known minor contradictions in the body of planning documents Metrolinx staff work from: The Big Move showed two-way all-day service extending as far as Milton within the next 15 years, while GO's strategic plan showed it only extending as far as Meadowvale in that timeframe. As part of a technical update to The Big Move, we worked to examine the evidence and integrate the plans so that everything was consistent.

In the case of the Milton line, CP corridor ownership and some of the related implementation challenges meant that the timelines foreseen in the GO plan were found to be more reflective of realities. The Meadowvale to Milton segment continues to appear in the 15-25 period.

2. But given that the Town of Milton is the fastest growing municipality on Canada, moving from a population of 88,438 in 2011 to a projected 161,750 in 2021 (and over 195,000 by 2026), why have you not made 2WAD a priority there? Shouldn't transit go where the people are?
This rail corridor is mostly owned by a private third party, CP Rail. The complexity of the expansion and
large infrastructure costs have, to date, prevented us from expanding as quickly as we would all prefer. Introducing two-way, all day service would likely require substantial infrastructure improvements that must be agreed-to by the owner of the corridor, CP. Discussions have been ongoing, and recent improvements such as the addition of an eighth daily round trip have been an outcome of productive negotiations.

GO Transit's expansion planning for the Milton line has consistently included incremental introduction of two-way, all day service. We remain committed to achieving two-way all day service for the Milton rail corridor.

3. Didn't GO Transit already announce an environmental assessment for the Milton expansion? What happened?
In April 2009, GO Transit announced that we would begin an EA using the then-new Transit Project Assessment Process for two-way, all-day service on Milton. EA work began but given our reassessment of the physical chanllenges required, we remain in the preconsultation phase.

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13.4

Two-Way All-Day implementation on Kitchener line (to Brampton/Georgetown)

Issue

The expansion of the Kitchener line between Union and Mt. Pleasant from the 2015 build to The Big Move's full 2WAD level is part of the Next Wave, but there has been confusion among Brampton stakeholders respecting the Brampton portion of the build. Furthermore, recent amendments to the Big Move moved 2WAD between Mt. Pleasant and Georgetown back to the 16-25 year portion of the plan.

Key Messages

- The Big Move includes comprehensive 2WAD service between Union and Mt. Pleasant station (in western Brampton) as part of the 0-15 year portion of the plan, with that service extended further to Georgetown as part of the 16-25 year portion of the plan.;
    - GO expansion is typically an incremental process.

- The Georgetown South Project is now proceeding, with full provincial funding committed to the "2015 build", which will significantly improve service on the GO Kitchener line.
    - Once complete, sufficient railway corridor infrastructure will be in place to permit the introduction of the UP Express, and also expand GO Train services on the Kitchener line to and from Brampton.
    - At this time, we anticipate this GO service expansion would include improved rush hour service as well as the introduction of two-way service between Union Station and Mt. Pleasant that would run outside of peak periods
    - While this will not be The Big Move's full vision of 2WAD, it will be a very substantial step towards it.

- The further expansion of the Kitchener line between Union and Mt. Pleasant from the "2015 build" to The Big Move's full 2WAD level is part of the Next Wave
    - As with all Next Wave projects, implementation is subject to the Metrolinx Investment Strategy
    - Partial electrification of the line (from Union Station to the City of Brampton) is also included in the Next Wave.

- Between Bramalea GO Station and Mt. Pleasant GO Station there are numerous complexities and large infrastructure costs associated with this shared corridor that Metrolinx continues to evaluate,
    - To expand beyond 2015 service levels, we need to work with CN—the owner of that portion of the corridor—to add at least one extra track, and possibly two, from Bramalea to Georgetown to deal with the very high volumes of predicted GO train service and the already high freight train service.
    - We may need to potentially stage expansion incrementally, with enhanced service extending to Bramalea prior to Mt. Pleasant.

Top 2 Questions

Q. Back in the spring there seemed to be some confusion as to whether there was a delay in the delivery of service to Brampton. Can you clarify?

We are planning for 2WAD to Mt. Pleasant as part of the 0-15 year portion of The Big Move. That has not changed. Beyond the Bramalea station in eastern Brampton, trains use a shared railway corridor owned by CN. There are numerous complexities and large infrastructure costs associated with the shared corridor that Metrolinx continues to evaluate. To expand beyond 2015 service levels, Metrolinx needs to work with CN to add at least one extra track, and possibly two, from Bramalea to Georgetown to deal with the high volumes of predicted GO train service and the already high freight train service.

Q. Why did Georgetown lose its expanded service?

It did not. The Big Move continues to show two-way, all-day GO service to Georgetown. The only thing that changed was the time period we anticipate seeing it completed.

For several years, there had been a few known minor contradictions in the body of planning documents Metrolinx staff work from: The Big Move showed two-way all-day service extending as far as Georgetown within the next 15 years, while GO's strategic plan showed it only extending as far as Mt. Pleasant in that timeframe. As part of a technical update to The Big Move, we worked to examine the evidence and integrate the plans so that everything was consistent.

In the case of the Kitchener line, CN corridor ownership and some of implementation challenges meant that the timelines foreseen in the GO plan were found to be more reflective of realities. The Mt. Pleasant to Georgetown segment continues to appear in the 15-25 period.

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13.5

Hurontario-Main LRT Project Alignment in Brampton

Issue

Brampton Mayor Susan Fennell and some members of the community have expressed concerns about the Hurontario-Main.LRT being inappropriate for downtown Brampton. Mayor Fennell has mused about abandoning the LRT for mixed traffic buses, cutting the LRT short at the south edge of Brampton, or shifting the LRT to a completely different alignment to avoid the city centre.

Key Messages

- The Hurontario-Main LRT is an important project that Metrolinx strongly supports
  - It is part of the Next Wave and we are proposing it be funded by dedicated investment tools
  - It's a key regional transit spine that
    - serves two urban growth centres and five mobility hubs
    - intersects with three GO lines, the Mississauga Transitway, the future Dundas St. BRT and future Queen St. rapid transit corridor

- Metrolinx is helping to move the Hurontario-Main LRT towards construction readiness in close partnership with the City of Mississauga and the City of Brampton
  - The project has been confirmed and reconfirmed by municipal elected officials on multiple occasions
  - In 2010, both Metrolinx and the two Cities concluded in parallel studies that LRT was the appropriate technology. (Mx: BCA; Miss/Bram: Corridor Master Plan)
  - Metrolinx and staff from both cities continue to work with a consultant team to complete an EA; as of now we have substantially completed a draft preliminary design and hope to complete the EA by mid next year.

- We stand by our recommendations to date on the technology and alignment
  - LRT is the appropriate technology when you assess the capacity needs of the corridor into the future
  - The alignment needs to connect with major employment and residential nodes and other transit lines, which is why running to the Brampton GO Station is highly desirable.
  - We are confident that as we continue to work through the design and EA process will be able to propose a solution that addresses local concerns.

Top Question

Q. I'm hearing the community doesn't support your proposed LRT in downtown Brampton.

There are a variety of perspectives that we're heard so far as we move through the LRT design process. While we have indeed had some concerns raised, we've also heard strong support for the project from many Brampton residents. We are confident that as we continue *to work through the design and EA process will be able to propose a solution that addresses local concerns. (then refer to full KMs)*

Viva alignment in Thornhill

Issue
A residents group in Thornhill has proposed either cancelling Viva's route through their area or rerouting it to bypass the neighbourhood. Their position is supported by PC MPP Peter Shurman, while municipal elected officials support the project as-is.

Key Messages

- The Viva rapidways are a great example of Metrolinx collaborating with local government to deliver a quality project
  - The first major rapidway segment on Highway 7 East opened in August --- on-budget, six months ahead of schedule
  - There were voices that claimed that projects would go wildly off schedule and destroy local businesses and we think our results speak for themselves.
  - Bus rapid transit was selected for these corridors by York Region's municipal government after careful study and endorsed by Metrolinx; Metrolinx has assessed the project as having a strong cost-benefit performance.

- Metrolinx is confident that the EA process properly weighed community input in designing the route through Thornhill. We are proceeding with the project as approved.
  - Viva buses have followed this route in mixed traffic continuously since launching in 2005.
  - The routing was examined before Viva launched and re-examined in the rapidway EA; the alternatives that some are now proposing were fairly and comprehensively assessed and found inferior to what we're proceeding with.
  - Planners chose to make the buses follow the Centre St-Bathurst St. route rather than bypass the community because it was important for transit to go where the people are, including an important trip generator like Promenade Mall
  - We expect to put out an RFQ for this segment by the end of year, begin construction in 2015, and finish in 2018.

- Once complete, rapidways will improve flow for existing automobile traffic.
  - No car lanes are being eliminated
  - We adding left-turn lanes where none previously existed
  - We're removing buses from general lanes
  - We're diverting auto trips onto transit

Top Question
Q. You're going to be bringing a St. Clair disaster to this community!
If you look at the segment we've already opened on Highway 7, you can see how Viva rapidways are well-integrated into the street. Automobile flow has improved, not been reduced. While construction is always difficult, the local elected officials up there are pleased with how we managed it and pleased with the results.

Concerns about systematic underinvestment in Durham

Issue
Members of the public and stakeholders from Durham have commonly claimed there is a pattern of Metrolinx (and the provincial government more broadly) failing to fairly invest in Durham to the same extent as other parts of the GTHA.

Key Messages

- Metrolinx believes we must think like one region, but we appreciate the importance of ensuring there is geographic equity across it.
  - We're one regional economy, and investments in one part of the GTHA benefit others.
  - The GTHA has tremendous diversity in terms of its needs and constraints, and we cannot propose a one-size fits all approach for every community in it.
  - We identified geographic equity as a key consideration in our Investment Strategy

- Durham has benefitted tremendously from ongoing investment in GO Transit.
  - 30 minute service on the GO Lakeshore lines is transformative. All four GO stations in Durham Region receive the highest level of train service on the entire network.
  - Durham has been the single biggest beneficiary of GO's program to construct new structured parking --- there are four structures in Durham (3 finished – Whitby, Ajax, Pickering North; 1 under construction – Pickering South) which is twice as many as York Region or Peel Region or Halton Region.
  - The East Rail Maintenance Facility is the biggest single transit construction project in Durham's history. It was aggressively sought out by multiple communities because when it opens in 2017, there will be hundreds of skilled good-paying jobs permanently based in Whitby.
  - In recent years we've invested more into Pickering GO Station than any other station in the network except Union Station. There've been over a hundred million dollars in improvements including a new LEED Gold Station building, an iconic new bridge, and two parking structures.

- We've made respectable headway on non-GO rapid transit investments, but we can only move as fast as our local partners are willing
  - When Metrolinx began targeting First Wave and Quick Wins funding in 2008-2009, different municipalities were at different levels of readiness --- ranging from York Region with finished VivaNext EAs and Toronto with an LRT plan, while Durham was not yet operating a basic continuous bus route on the Highway 2 corridor.
  - Metrolinx funded DRT Pulse, which saw its initial launch this past June. Durham will be investing more Metrolinx dollars into adding some dedicated bus lanes for it in Ajax and Pickering over the next two years.

- Pulse is an enhanced bus service that is a crucial foundation piece we can keep expanding. With the Next Wave, we'll invest hundreds of millions to make it true bus rapid transit.

GO Rail Extension to Bowmanville across Oshawa

Issue

Initial planning for the extension was performed in the early '90s and local politicians have long operated under the impression it was a potential near-term project. There has been constant criticism the project has not been accorded sufficient priority. There is also some residual debate over most desirable alignment: municipal elected officials and staff favoured the option in the approved EA that is now reflected in the amended Big Move, while other voices including PC MPP John O'Toole prefer a discarded alternative that uses the CN railway corridor.

Key Messages

- Metrolinx has included the extension of Lakeshore East service across Oshawa to Bowmanville in the Next Wave
  - We know and appreciate this is an improvement long sought by residents of the eastern GTHA
  - The expansion will bring improved access to trains service to Oshawa, Courtice and Bowmanville residents
  - This the only major extension of the GO Rail network that's in our Next Wave
  - We need dedicated investment tools to make this and other important regional transportation investments a reality

- Metrolinx has been steadily preparing for this expansion.
  - We studied the different alignment options and landed on our current routing in 2009.
  - We completed a design study and Environment Assessment, obtaining unconditional approval in 2011.
  - We have begun acquiring property for the extension, most recently the site for a future Central Oshawa Station known as the Knob Hill Farms property.

Top 3 Questions

Q: Why are you using the CP option and not the CN option? Surely the CN option will be far cheaper.

Thorough analysis has been completed comparing the CP and CN corridors, including consideration of different options for station locations on each line. Cost estimates were also developed for the both options and compared.

As shown in the 2009 Feasibility Study and 2011 EA Study, analysis found that the additional benefits of running passenger service on the CP line, which is closer to a greater density of the local population, provides greater economic benefits to the City of Oshawa, Municipality of Clarington and the wider region, and best met municipal transportation and land use planning goals and objectives.

The CP alignment option was supported by regional and municipal staff, and is in keeping with the Official Plans and/or Transportation Master Plans adopted by Durham, Oshawa and Clarington. The final EA, including the preferred northern CP alignment, has received support from the Regional Municipality of Durham, the Municipality of Clarington, and the City of Oshawa.

Q: When will I be able to ride the GO Train through Oshawa to Courtice and Bowmanville?
We are unable to supply firm completion dates for projects where funding has yet to be confirmed. The expansion of GO train service to Bowmanville was established in the Metrolinx Investment Strategy to be part of Metrolinx's "Next Wave" of projects to be funded by new dedicated investment tools, which reflects its status as one of the Greater Toronto and Hamilton Area's highest priorities. The specific proposed construction sequencing of the various projects in the Next Wave has not yet been determined.

Q: What's going on with Knob Hills Farms?
The former Knob Hill Farms property located at 500 Howard Street in Oshawa was identified as a preferred station location in the 2011 Environmental Assessment, and is the future centerpiece of a mobility hub designated in The Big Move.

Metrolinx recently served notice under the Expropriations Act of its intent to expropriate the property. Metrolinx always prefers to resolve property acquisition issues on a willing buyer/willing seller basis, but in this case negotiations had continued for years without reaching an agreement on price. Both parties are in agreement that the expropriation process is the best way to resolve the valuation and compensation issue, in order to provide the landowner with fair and reasonable compensation and ensure continued progress on this important project.

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Quality of K-W Rail Service

Issue

GO rail service to Kitchener launched in December 2011 and even before service began criticism was aired that the service offering was inadequate on account of there being only two peak period trains in each direction, no all-day or weekend service, and a lengthy 2+ hour running time. Recent Via cutbacks on the line have heightened calls for GO to expand service.

Key Messages

- Metrolinx is pleased to now be offering service to Acton, Guelph and Kitchener.
    - Ridership is currently meeting expectations, with approximately 100 boardings every weekday morning in Acton, 125 in Guelph and 120 in Kitchener.
    - Metrolinx was able to deliver this expansion very quickly and with a relatively modest budget of $18 million

- Further expansion is heavily constrained by infrastructure limitations.
    - The railway corridor between Georgetown and Kitchener is owned by CN and leased to a short-line freight railway called the Goderich and Exter Railway (GEXR), a subsidiary of American rail conglomerate Genessee-Wyoming Railway.
    - The line is a single track with no fixed signals that is maintained to lower-speed freight standards rather than higher-speed passenger standards
    - Metrolinx has overnight storage capacity for only two trains in Kitchener, which is the primary obstacle to additional rush hour service

- Metrolinx will continue to monitor and grow rail service as demand warrants and infrastructure is added.
    - Metrolinx has environmental approvals in place to build a new, larger train storage facility in Baden that would permit additional train service.
    - Once the Georgetown South Project is complete in 2015, we will consider new opportunities to improve rush hour service for Acton, Guelph and Kitchener passengers.

Top Questions

Q: Haven't you committed to bring two-way all-day train service to Kitchener?
Metrolinx has never committed to bringing two-way all-day train service to Waterloo Region.

In the Investment Strategy, we have identified the introduction of comprehensive two-way, all-day service on the Kitchener line between Mt. Pleasant and Union, along with partial electrification, as Next Wave projects to be funded by dedicated investment tools.

Q: Why do you only carry commuters from homes in Kitchener to work in Toronto? Why not serve reverse trips, too?
As the service operates on a single track for now, operating trains in opposite directions during the same rush hour can be challenging. Demand for Toronto-bound commuters was higher than in the reverse direction, and we were able to easily implement the Kitchener expansion because it involved extending onto our existing single-direction service from Georgetown to Toronto. In the longer term, investing in infrastructure improvements so we could serve flows in both directions may be a possibility.

GO Rail Expansion to Niagara

Issue
Seasonal excursion train service to Niagara has operated for five years, delivering marginal ridership that has declined each year. However, Niagara politicians continue to strongly support the introduction of full regular service on the route. The issue has taken on heightened attention with the potential for a provincial byelection in the riding of Niagara Falls.

Key Messages

- GO currently provides convenient transit service to Niagara that is commensurate with demand
    - We offer frequent bus service between Niagara Falls and Burlington GO Station that connects with the existing Lakeshore West train line.
    - Bus service can make use of a shorter route over the Skyway bridge rather than a lengthier rail route around Hamilton harbour.
    - Ridership demand can be easily addressed by bus service at this time.
    - We hope bus service will help grow our ridership over time.

- At this time, we do not expect to implement full rail service to Niagara in the immediate term
    - In the Next Wave, Metrolinx has identified its next priorities for major investment in the GO Transit network, which focuses on improving the quality and quantity of service in well-developed transit markets
    - No funding to expand GO Train service to Niagara on a regular basis has been identified
    - Metrolinx's current focus is on funding and implementing the Next Wave

- Longer-term rail expansion to Niagara remains an option, but it is contingent on it becoming a well-developed transit market to justify significant capital costs.
    - We are moving forward with an extension to Hamilton's James Street North station, which would be a first step towards the proposed rail expansion to Niagara Region.
    - We have completed an Environmental Assessment for Niagara expansion that has presented various options for further extending regular train service as far as Grimsby, St. Catharines or Niagara Falls. The EA identified preferred sites for stations and train layover facilities.

Top Questions

Q: Haven't you committed to bring two-way all-day train service to Niagara?
Metrolinx has never committed to bringing two-way all-day train service to Niagara. Our planning has continually focused on introducing two-way all-day service to our existing lines, which we expect to be a lengthy and expensive process in its own right.

Q: Why's it so hard? You already run the trains in summer, and the track's already there?
All rail access to Niagara involves use of corridors owned by CN and/or CP.

While we have been able to make light use of the existing CN corridor for seasonal excursion service, even regular rush-hour trains would have a much more significant impact on the available capacity.

The CN corridor was examined carefully in the Niagara EA and it was determined that extensive investment in additional track and other capital improvements would be necessary to introduce rush hour train service.

Q: If you built it, they will come… there are thousands of people in Niagara who would take the train if you had it and made it convenient.
Metrolinx performs careful ridership forecasting taking into account existing and future commuting patterns as well as land use and growth projections in documents such as the Growth Plan for the Greater Golden Horseshoe.

Our EA estimated that in 2016, peak period boardings at Niagara Falls and St. Catharines would be 80 and 150 passengers, respectively. These numbers are very modest compared to most existing GO stations.

Q: How many people rode the Niagara summer service?
Last summer, we had about 20,000 boardings onto the Niagara excursion trains over the course of the summer. We're still in the process of finalizing the 2013 numbers.

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13.11

Peterborough Commuter Rail / Shining Waters Railway

Issue

The 2008 federal budget unilaterally proposed funding for a commuter rail link between Peterborough and Toronto that was championed by local MP Dean Del Mastro. As part of provincial commitment to offer potential matching funding, Metrolinx was asked to produce a report on the feasibility of the rail link that was completed in 2010. A new third-party organization linked to Del Mastro, the Shining Waters Railway, continues to try to advance the project.

Key Messages

- Metrolinx has not identified regional rail service to Peterborough as a priority.
    - Our Regional Transportation Plan, The Big Move, includes the future introduction of regional rail service on the inner portion of the railway corridor in question (the CP Havelock subdivision) as far as Locust Hill in eastern Markham.
    - Due to modest ridership potential and some of the challenges that were identified in the Peterborough Rail Study, recent amendments to The Big Move deprioritized that project.
    - Ridership demand can be easily addressed by bus service at this time.

- Metrolinx performed an objective and thorough study of Peterborough rail service in 2010.
    - Our study drew upon four decades of regional rail expertise at GO Transit
    - Out study was reviewed and vetted by panel of experts involving Transport Canada, MTO and CP.
    - The study simply provided facts to government, it did not offer recommendations.
    - The study identified significant infrastructure and operational challenges, particularly some related to the Agincourt rail yards
    - We appreciate that some proponents of the service have expressed disappointment that some of our findings were not what they hoped, but we stand by our study.

- Metrolinx's current focus is on funding and implementing the Next Wave while continuing to offer GO bus services to Peterborough.
    - The Next Wave includes Metrolinx's priorities for major investment in the GO Transit rail network, which focuses on improving the quality and quantity of service in well-developed transit markets
    - The Next Wave also includes an extension of the Lakeshore East line to Bowmanville, which would potentially connect with Peterborough GO bus services
    - GO Transit currently offers convenient bus service to Peterborough that connects with Lakeshore East trains in Oshawa.

Top Questions

Q: Why did Metrolinx oppose rail service to Peterborough? Isn't it trying to funnel funding to Toronto?
Metrolinx completed a study that outlined the facts as we saw them. We appreciate that some proponents for this service have expressed disappointment that some of our findings were not what they hoped, but we stand by the study. It was an objective and thorough study, drawing upon four decades of regional rail expertise at GO Transit that was reviewed and vetted by panel of experts involving Transport Canada, MTO and CP.

We reject any suggestion there was an agenda to discredit the project and claim its funding for other projects. Metrolinx completed the analysis as requested and the decision to potentially invest funds rests with the relevant levels of government.

Q: Hasn't Shining Waters now said they can't use Union Station and need to go to midtown Toronto? What is Metrolinx throwing up barriers?
We understand Shining Waters is investigating the possibility of operating a passenger rail system independently.

Metrolinx has met with representatives from SWR and explained that in light of heavy demand on capacity in the Union Station Rail Corridor and at the station platforms during rush hour periods, at this time we would be unable to accommodate SWR-operated trains arriving and departing Union at rush hour. We continue to invest in Union to expand capacity with the expectation that we will also continue to add trains that make use of that new capacity.

It's our understanding SWR is now investigating alterative options, including bringing trains into midtown Toronto.