

## **BOARD OF DIRECTORS**

<b><u>DATE OF MEETING:</u></b>	Friday, February 18, 2011
<b><u>TIME OF MEETING:</u></b>	8:30 a.m.
<b><u>PLACE OF MEETING:</u></b>	Metrolinx 20 Bay Street 6 <sup>th</sup> Floor Toronto, Ontario M5J 2W3  Executive Boardroom
<b><u>CHAIR:</u></b>	J. Robert S. Prichard
<b><u>PRESIDENT &amp; CEO:</u></b>	Bruce McCuaig
<b><u>VICE-CHAIR:</u></b>	Peter Smith
<b><u>MEETING SECRETARY:</u></b>	Mary Martin, Corporate Secretary and General Counsel
<b><u>MEMBERS PRESENT:</u></b>	Elyse Allan Jennifer Babe Paul Bedford Rahul Bhardwaj Joseph Halstead Richard Koroscil Lee Parsons Rose Patton Stephen Smith Douglas Turnbull
<b><u>REGRETS:</u></b>	Tony Gagliano Nicholas Mutton
<b><u>OTHERS PRESENT:</u></b>	Gary McNeil, President, GO Transit John Brodhead, Vice President, Strategy & Communications Jack Collins, Vice President, Project Implementation John Howe, Vice President, Investment Strategy and Project Evaluation Judy Knight, Vice-President, Corporate Infrastructure Greg Percy, Vice President, Operations Mary Proc, Vice President, Customer Service and Human Resources Robert Siddall, Chief Financial Officer Leslie Woo, Vice President, Policy and Planning

**1. Call to Order and Remarks by the Chair**

Chair Robert Prichard called the meeting to order at 8:32 a.m.

Regrets were received from Tony Gagliano and Nicholas Mutton.

Chair Prichard confirmed there was quorum and that the required notice of the meeting as stipulated under the By-Law of the Corporation had been sent.

No declarations of interest were declared.

Chair Prichard announced, with regret, the resignation of Elyse Allan. On behalf of the Board, Chair Prichard presented Ms. Allan with a gift to thank her for her contributions to the Corporation. Ms. Allan acknowledged the valuable work of the Board, and expressed her gratitude in having had the opportunity to work with outstanding colleagues and the Province.

**RESOLVED:**

**THAT** Metrolinx acknowledge with gratitude Elyse Allan's contributions to the Metrolinx Board of Directors.

**Carried unanimously**

**2. CEO's Report**

Bruce McCuaig, President and CEO, presented his report to the Board. Mr. McCuaig congratulated Gary McNeil, President, GO Transit, and Greg Percy, Vice President, Operations, on the successful implementation and execution of GO Transit's winter storm plan on February 2, 2010. As a result of the plan, service disruptions and delays were greatly minimized.

The recent completion of Metrolinx's Transit Procurement Initiative group accessible transit bus procurement was also noted. The joint procurement involves the participation of eleven municipalities expected to purchase a total of twenty-seven new accessible transit buses at a cost savings of approximately \$400,000.

In addition, Mr. McCuaig acknowledged the successful launch of PRESTO service at GO Transit's Barrie South station. PRESTO has more than 23,000 users and continues to grow. The PRESTO project is on track for implementation across the GO Transit rail network by Spring, 2011, with GO Bus system implementation to follow.

Finally, Mr. McCuaig provided an update on discussions with the City of Toronto. The Mayor's office has presented a revised transit projects proposal to Metrolinx. The Mayor's Plan includes: a Sheppard East and West subway, a Scarborough Subway (connecting at Kennedy Road), retention of the Eglinton LRT, a deferral of the Finch West LRT (replaced with Bus Rapid Transit), and a subway yard, at an approximate cost of \$13 billion. The Plan proposes the City deliver the Sheppard and Scarborough subways while Metrolinx deliver the Eglinton LRT; the City projects are proposed to be delivered by a Public-Private Partnership and funded by tax increment financing and development charges.

While discussions continue, key principles remain unchanged. These include: the need to achieve regional transit objectives; minimizing delays and impacts on traffic; City payment of penalties or other losses on investments; and no increases on the Provincial funding commitment. No timeline for approval of a final Plan has been set. The preferred approach is to work with all stakeholders until agreement is reached.

The Board expressed concerns that the Mayor's proposal removes transit from areas where accessibility to transit is greatly needed. Staff have been asked to work with the City to recognize the need for transit improvements in these areas.

Chair Prichard noted the Mayor's support of Metrolinx's primary role in delivering an essential project in the Plan. A meeting will be convened at the appropriate time to receive Board approval on the final project Plan.

### **3. Mobility Hub Guidelines**

Leslie Woo, Vice President, Policy and Planning, presented the Mobility Hub Guidelines report. The contributions of municipal partners and provincial stakeholders were acknowledged with thanks.

The strategic and developmental potential of Mobility Hubs was discussed. Staff were asked to advance thinking on the economic viability and sustainability of Mobility Hubs, including revenue opportunities and branding. Staff have agreed to revise the Guidelines to include greater emphasis on leveraging these economic values. A report card to measure success against the Guidelines recommendations will also be prepared.

Strategies to improve region-wide adherence to the Guidelines were also considered. The Board discussed options for improving implementation, including requiring adherence in transit partner project and funding agreements. Staff will consider the suitability, utility and scope of any Metrolinx land use and density approval authority for key Mobility Hubs identified in the Regional Transportation Plan.

After Board discussion the following revised resolution was passed:

#### **RESOLVED:**

**THAT** subject to minor housekeeping and final formatting of content and document design, the Board approve the Mobility Hub Guidelines contained in a report dated February 18, 2011, prepared by the VP Policy and Planning (the "Report");

**THAT** staff make the Mobility Hub Guidelines available publicly;

**THAT** staff proceed to advance the implementation of the Mobility Hub Guidelines through the Next Steps contained in the Report;

**THAT** staff be authorized to regularly update the Mobility Hub Guidelines at least every five years in response to policy changes or new tools and information becoming

available;

*THAT in order to ensure that the objectives of the Mobility Hub Guidelines are fully realized over time and to maximize the value of significant public investment in public transit infrastructure, staff report back to the Board before the end of 2011 on which existing Anchor and Gateway Hubs and GO Station sites should be subject to final land use and density approval authority by Metrolinx and how such approval powers could be attained and the alternatives that might be considered;*

*THAT staff report back to the Board before the end of 2011 on the desirability and feasibility of exercising the powers granted to Metrolinx in Sections 16 and 17 of the Metrolinx Act, 2006, as amended, for the purposes of establishing a subsidiary development corporation to acquire, hold and develop land in close proximity to key subway, Light Rapid Transit and GO stations that have future development potential; and*

*THAT staff endeavour to apply these Guidelines as part of Metrolinx's major new transit investments.*

**Carried, as amended**

#### **4. GTHA Urban Freight Study**

Leslie Woo presented the GTHA Urban Freight Study report. Staff thanked the members of the Goods Movement Industry Roundtable for their contributions to the Study. Staff noted with gratitude the attendance of the following Roundtable Members at the Board meeting: Bob Armstrong, Roundtable Chair and President, Armstrong Trade and Logistics Advisory Services Inc. (ATLAS), David Turnbull, President and CEO, Canadian Courier & Logistics Association, John Best, Executive Director, Southern Ontario Gateway Council, and Brian Zeiler-Kligman, Director, Policy, Toronto Board of Trade.

The Study is the first of its kind for the Greater Toronto and Hamilton Area. Understanding goods movement as part of the transportation network will assist in realizing increased economic, competitive and environmental benefits achieved through effecting transportation efficiencies. Key challenges identified in the Study include: a poor understanding of the issues due to lack of previous study, little capacity for growth on the road network, and poor coordination across impacted sectors. In general, goods movement has a wider degree of variables and impact than passenger travel, making additional research necessary. The Study concludes with go-forward strategic directions and potential actions.

The complexity of the Study was discussed. Obtaining the trust and cooperation of varied and competitive industries, whose participation is essential to the Study's success, contributes to the challenge. To continue collecting relevant direction from the private sector, staff will establish an implementation working group, with membership to include representatives from area Chambers of Commerce and Boards of Trade. In addition, staff will consider the use of waterways for goods movement, and the need for freight to move via rail through downtown Toronto. Finally, staff were asked to explore opportunities to access and utilize the software and data collected by logistical and fleet management companies to bolster the Study.

**RESOLVED:**

**THAT** subject to minor housekeeping and final formatting of content and document design, the Board approve the GTHA Urban Freight Study report dated February 18, 2011, prepared by the VP Policy and Planning (the "Report"), including the stated Strategic Directions;

**THAT** staff proceed to advance the Next Steps contained in the Report in partnership with key stakeholders, including municipalities; and

*THAT staff establish a working group of partners to continue to provide input, leadership and direction on implementation and execution.*

**Carried, as amended**

**5. GO Customer Service Update**

Gary McNeil, President, GO Transit, and Mary Proc, Vice President, Customer Service and Human Resources, presented the GO Customer Service Quarterly Board Report. Recent successes include: increased ridership and on-time performance, both attributable, in part, to infrastructure investments such as new 12-car MP40 locomotives, track switch and signal upgrades, and the successful execution of GO's Winter Snow Plan. Other Passenger Charter promises have also been realized, with auto theft rates down by 50%, crime rate at its lowest in five years, and eNews subscriptions increased by 35% (with over 65,000 registrants to date). The success of many of these measures is attributed to the working partnership between the Customer Service and Operations groups.

**6. York Viva**

Jack Collins, Vice President, Project Implementation, and Mary Martin, General Counsel and Corporate Secretary, presented the York Viva Master Agreement report. Mary-Frances Turner, Vice President, York Region Rapid Transit Corporation, thanked the Board for its ongoing assistance with project development and implementation. Ms. Turner confirmed York Region Rapid Transit Corporation was in full support of the Master Agreement business arrangements, which include Metrolinx asset-ownership and York operation and maintenance obligations. Ms. Turner invited the Board to attend the opening of the bus rapidway.

**RESOLVED:**

**THAT** the Metrolinx CEO is authorized to finalize and enter into a Master Agreement with York Region Rapid Transit Corporation and the Regional Municipality of York for the implementation of the VivaNext Rapidway program over the next 10 years as further described in a report from the Vice President of Project Implementation and General Counsel dated February 18, 2011;

**THAT** the previous 2009 Memorandum of Agreement and extensions authorized by the CEO and expiring on March 31, 2011 will be superseded by this Master Agreement;

**THAT** Metrolinx authorize an initial total expenditure of \$790 million over the first five provincial fiscal years (to FY 2014/15) of the VivaNext Rapidway Program inclusive of obligation made under the 2009 Memorandum of Agreement and authorized extensions.

**Carried**

**7. Air Rail Link**

Gary McNeil presented the Purchase of Metrolinx Equipment for the Airport Rail Link-Information Update report. The proposed service will operate with two stops (Bloor Street and Weston) between Union Station and the Airport. A stop at Eglinton Avenue may be added as the Eglinton line is completed. The service fee will be competitively priced as a premium service and be less expensive than taxi or limousine service. The 2015 Pan Am games service delivery commitment makes an initial order of diesel multiple unit (DMU) vehicles necessary. The proposed DMUs have been designed to allow future conversion to electric multiple units (EMUs). This unique design will support a phased-in vehicle conversion following electrification of the corridor. The per vehicle price negotiated, falls within the budget allocation.

The Chair permitted an exception to the Board's By-Law No. 4 which excludes public delegations at Board meetings to allow Cheri DiNovo, Member of Provincial Parliament (Parkdale-High Park) to address the Board. Ms. DiNovo conveyed to the Board her constituents concerns, preferring that electrification of the corridor proceed immediately and that EMUs be ordered from the outset.

**RESOLVED:**

**THAT** the Board confirm the conclusion of negotiations and directs staff to proceed with the execution of the contract with Sumitomo Corporation of America (agent for Nippon Sharyo USA, Inc.) for the delivery of twelve (12) Diesel Multiple Units including spare parts and tools at a price not to exceed US \$53 million excluding shipping, handling and taxes, with an option for six (6) more units at a price not to exceed an additional US \$22 million.

**Carried**

**CLOSED SESSION**

**8. CEO's Report**

Bruce McCuaig presented his report.

**9. Approval of Minutes**

Mary Martin, Corporate Secretary and General Counsel, presented the Minutes from the November 16, 2010 and January 26, 2011 meetings to the Board.

**RESOLVED:**

**THAT** the minutes of the Board meetings of November 16, 2010, and January 26, 2011 be approved.

**Carried**

**10. Project Prioritization**

Due to timing constraints, this matter was deferred by the Board to the April 28, 2011 Board Meeting.

**11. Quarterly Reports**

Quarterly Reports for each of: GO Transit Infrastructure; Operations; Procurement; Customer Service; Human Resources; Strategy and Communications; Finance/Budget; Policy and Planning; Investment Strategy and Project Evaluation; and Big 5 Project Implementation were received for information.

**12. Contract and Transaction Approvals**

The Board had a confidential discussion on contract and transaction approvals.

**13. Update of Board Standing Committees**

**(a) Executive Committee**

Rob Prichard, Chair of the Executive Committee, reported to the Board.

**(b) Audit, Finance and Risk Management Committee**

Stephen Smith, Chair of the Audit, Finance and Risk Management Committee reported to the Board.

**(c) Governance Committee**

Rob Prichard, Chair of the Governance Committee reported to the Board.

**(d) Human Resources and Compensation Committee**

Rose Patten, Chair of the Human Resources and Compensation Committee, reported to the Board.

**(e) Customer Service Committee**

Richard Koroscil reported to the Board as acting Chair of the Customer Service Committee (in Nick Mutton's absence).

**14. Agenda Proposals for Next Meeting**

There were no agenda proposals for the next meeting.

**15. Other Business**

There was no other business.

**ADJOURNMENT**

There being no further business before the Board of Directors, the meeting was adjourned at 1:00 p.m.

**Carried**

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J. Robert S. Prichard, Chair

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Mary E. Martin, Secretary

c/s