

BOARD OF DIRECTORS

<u>DATE OF MEETING:</u>	Thursday, February 16, 2012
<u>TIME OF MEETING:</u>	8:30 a.m.
<u>PLACE OF MEETING:</u>	Metrolinx 20 Bay Street 6 th Floor Toronto, Ontario M5J 2W3 Executive Boardroom
<u>CHAIR:</u>	J. Robert S. Prichard
<u>PRESIDENT & CEO:</u>	Bruce McCuaig
<u>MEETING SECRETARY:</u>	Mary E. Martin, General Counsel and Corporate Secretary
<u>MEMBERS PRESENT:</u>	Rahul Bhardwaj Joseph Halstead Richard Koroscil Nicholas Mutton Lee Parsons Peter Smith Douglas Turnbull
<u>REGRETS:</u>	Rose Patten Stephen Smith
<u>OTHERS PRESENT:</u>	Gary McNeil, President, GO Transit Kathy Haley, President, Air Rail Link Steve Zucker, Managing Director and Executive Vice President, PRESTO Jack Collins, Vice President, Rapid Transit Implementation Mary Lou Duffy, Vice President, Finance, PRESTO John Howe, Vice President, Investment Strategy and Project Evaluation Judy Knight, Vice-President, Corporate Infrastructure Vasie Papadopolous, Acting Vice President, Strategic Communications Greg Percy, Vice President, Operations Mary Proc, Vice President, Customer Service Robert Siddall, Chief Financial Officer Alba Taylor, Legal Counsel and Associate Corporate Secretary Leslie Woo, Vice President, Policy and Planning

1. Call to Order and Remarks by the Chair

Chair Prichard called the meeting to order at 8:35 a.m.

Regrets were received from Rose Patten and Stephen Smith.

Chair Prichard confirmed that quorum was present.

No declarations of interest were declared.

A special presentation was made to recognize Paul Bedford's long service to the Board. Mr. Bedford has completed 3 terms as a Metrolinx Board Member. Chair Prichard thanked Mr. Bedford for his passion for Metrolinx's work and for his many valuable contributions drawing on his experience as a planner and urbanist. CEO Bruce McCuaig noted in particular Mr. Bedford's leadership in the development of The Big Move and the Mobility Hub Guidelines, and his commitment to engagement in project implementation through, for example, his work in the Weston community.

Mr. Bedford reflected on the importance of the Corporation's mandate and its many achievements during his tenure, including: the unanimous adoption of The Big Move; significant improvements to customer service including the establishment of the Customer Service Advisory Committee which Mr. Bedford chaired; Union Station revitalization; commencement of the GO system electrification process; and beginning construction of the Air Rail Link. Mr. Bedford identified immediate priority areas for the Corporation: moving forward with the Investment Strategy (including public dialogue on revenue tools); advancing the transformational role of Metrolinx in coordinating and developing an integrated transit network consistent with land use planning; advancing light rail transit and electrification; updating the Big Move; and implementing the Mobility Hub Guidelines.

In closing Mr. Bedford encouraged the Board to provide bold, strategic and independent advice, not to get "stuck in inaction", and to meet often and openly in public sessions as Metrolinx's important work continues.

2. CEO's Report

Bruce McCuaig, Chief Executive Officer, presented an overview of recent Metrolinx activities including: a Union Station Train Shed media event with Premier McGuinty; the opening of the Allendale GO station; work progress on the Eglinton-Scarborough Crosstown including recent property acquisitions, and a special event in Durham Region to receive the first delivery of specialized transit buses ordered through Metrolinx's Transit Procurement Initiative. Mr. McCuaig reported that the Air Rail Link remains on schedule, GO ridership continues to rise while meeting on-time performance commitments, PRESTO card adoption is increasing and PRESTO deployment for Ottawa is on schedule for later this year.

The Board inquired about Metrolinx's budget discussions with the Province. CEO McCuaig confirmed that staff are constructively engaged with the Province on budget development.

3. GO Transit Report

Gary McNeil, President, GO Transit, presented the GO Transit President's Board Update which included an overview of the past year's successes. These included: PRESTO system-wide deployment; new service to Kitchener; a new GO Station in Barrie; new GO schedules; and the GO mobile application. Strong GO community commitment and involvement has been demonstrated through participation in local holiday parades and fundraising activities for disaster recovery efforts, United Way, the GO Golf Tournament and the CN Tower Stair Climb. On-time-performance and ridership both remain high, with an average of approximately 245,000 riders carried daily. Overall GO's report card is positive on all indicators except for seating capacity which remains a challenge.

The Board encouraged staff to work with the media to ensure Metrolinx's successes are made known to the public.

4. Changes to Ticket Cancelling on the GO System

Mary Proc, Vice President, Customer Service, presented the Changes to Ticket Cancelling on the GO System report. Current 10 and 2-ride fare media will be phased out after June 1st but similar or improved fare discounts will continue through PRESTO. The PRESTO card fee will be waived over the next few months to assist in this change.

5. Customer Service Committee Chair's Report

Nicholas Mutton, Chair, Customer Service Committee, presented the Customer Service Update. Customer satisfaction indicators continue to improve with overall satisfaction at 78%. Through the Customer Service Advisory Committee staff ensure that customer feedback is heard and actioned. Mr. Mutton reported that the Customer Service Advisory Committee considered: the deployment of an etiquette campaign; GO Transit's long term parking strategy; top-requested customer service amenities such as wireless internet, heated shelters, improved headrests and quiet cars; Chair Prichard noted that Richard Kosocil has agreed to succeed Paul Bedford as Chair of the Customer Service Advisory Committee and lessons learned on the recent Kitchener service start up.

6. PRESTO Report

Steve Zucker, Managing Director and Executive Vice President, PRESTO, presented the PRESTO Update. Cardholder adoption continues to increase at a rate of approximately 1,500 to 3,000 new cards a week. Circulation is expected to reach approximately 250,000 cards by year end, facilitated by GO's retirement of 2 and 10 ride fare media and Ottawa service deployment scheduled for June, 2012.

Mr. Zucker reported that negotiations with the Toronto Transit Commission (TTC) are ongoing and that staff are working with the TTC on mutually acceptable business requirements. Full implementation is targeted in time for the Pan Am Games.

Mr. Zucker reported that PRESTO will begin migrating to PRESTO Next Generation later this year. Improvements to the PRESTO system as part of this deployment will include more

payment choices for customers (including debit and credit card) and a new website with improved usability and a new search feature. Based on the success of the Union Station PRESTO self-service kiosk a second machine will also be added.

7. Toronto Update

Jack Collins, Vice President, Rapid Transit Implementation, presented the Toronto Update, including an overview of the recent City of Toronto council decision to support generally the previous Metrolinx 5-in-10 plan, including the Eglinton LRT, a Finch West LRT from the future Finch West Station to Humber College, and the Scarborough RT conversion to LRT from Kennedy Station to Sheppard Avenue. The council motion also directs the establishment of an expert advisory panel to assess transit on Sheppard Avenue and a report back to Council by March 21, 2012. Staff will return to the Board with recommendations following Council's March 21, 2012 meeting. In the interim Metrolinx staff will continue to work with the TTC, the City of Toronto, and Infrastructure Ontario on service delivery opportunities for the LRT, and on other project requirements such as the acquisition of lands for the vehicle maintenance facility on Eglinton Avenue.

Emphasizing the need for a strong partnership, CEO McCuaig confirmed that Metrolinx's objective is to obtain agreement with the City of Toronto on moving forward with these projects.

The Board discussed Metrolinx's role on the expert transit panel, the difference between the current plan and the original Transit City plan, progress on tunnel and the risk that a council decision will not end the debate on appropriate projects and scope. Chair Prichard confirmed that the Province has remained committed to funding the projects to a maximum of \$8.4 billion dollars. Furthermore, once clarity from Council is achieved, Metrolinx, the City and TTC will enter into a binding agreement superseding the earlier Memorandum of Agreement.

Project change impacts on sunk costs and penalties was also considered and the Board directed staff to ensure that the implications of project changes were made clear to the City.

The Board also discussed the project delivery approach. Staff confirmed that the project delivery model will need to be verified by a value for money assessment which will form the basis for any decision to proceed with an alternative finance and procurement approach.

The Board requested that staff's report back include advice on project sequencing to ensure projects fit within the cashflow envelope and Provincial funding principles.

RESOLVED:

THAT Metrolinx receives this staff report and directs staff to report back to the Board on the proposed advice to the Province once Toronto City Council finalizes its position regarding transit on Sheppard Avenue;

AND THAT Metrolinx directs staff to continue construction and engineering on the Eglinton Crosstown central tunnel section from the west launch east to Laird Station.

Carried

CLOSED SESSION

8. CEO's Report

Bruce McCuaig presented the CEO's Report.

9. Approval of Minutes

RESOLVED:

THAT the minutes of the Board meeting of November 23, 2011 and January 9, 2012 be approved.

Carried

10. Budget Update

Bruce McCuaig and Robert Siddall, Chief Financial Officer, presented the Budget Update.

11. GO Parking Update

Leslie Woo, Vice President, Policy, Planning and Innovation, presented the GO Parking Update.

12. ARL Update

Kathy Haley, President, Air Rail Link, presented the Air Rail Link Update.

13. Quarterly Reports

Quarterly Reports for each of: Air Rail Link, PRESTO, GO Transit, Policy, Planning & Innovation, Strategic Communications, Rapid Transit Implementation and Investment Strategy were received for information.

14. By-Law No. 1 Amendment

Mary Martin, General Counsel and Corporate Secretary, presented the By-Law No. 1 Amendment. The Board approved minor housekeeping amendments to By-law No. 1.

15. Contract and Transaction Approvals

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

16. Board Standing Committee Updates

(a) Executive Committee

There were no matters to report.

(b) Audit, Finance & Risk Management Committee

Lee Parsons provided a report to the Board.

(c) Governance Committee

Robert Prichard, Chair of the Governance Committee, provided a report to the Board.

(d) Human Resources & Compensation Committee

Rahul Bhardwaj provided a report to the Board.

(e) Customer Service Committee

Nicholas Mutton, Chair of the Customer Service Committee, provided a report to the Board.

17. Agenda Proposals for Next Meeting

There were no agenda proposals for the next meeting.

18. 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

J. Robert S. Prichard, Chair

Mary E. Martin, Secretary

c/s