
BOARD OF DIRECTORS

<u>DATE OF MEETING:</u>	Tuesday, June 28, 2016
<u>TIME OF MEETING:</u>	8:00 a.m.
<u>PLACE OF MEETING:</u>	Union Station West Wing 97 Front Street West Toronto, Ontario M5J 1E6 Peter R. Smith Boardroom, 4 th Floor
<u>CHAIR:</u>	J. Robert S. Prichard
<u>PRESIDENT & CEO:</u>	Bruce McCuaig
<u>MEETING SECRETARY:</u>	Mary Martin, Executive Vice President, General Counsel and Corporate Secretary
<u>MEMBERS PRESENT:</u>	Upkar Arora Bryan Davies Iain Dobson Bill Fisch Anne Golden Marianne McKenna Rose Patten Bonnie Patterson Howard Shearer Carl Zehr
<u>REGRETS:</u>	Rahul Bhardwaj Janet Ecker
<u>OTHERS PRESENT:</u>	Stephen Rhodes, Deputy Minister of Transportation Robert Hollis, Executive Vice President, PRESTO John Jensen, Chief Capital Officer Judy Pfeifer, Chief Communications and Public Affairs Officer Robert Siddall, Chief Financial Officer Leslie Woo, Chief Planning Officer Matt Baynie, Vice President, GO Operations Don Dinnin, Vice President, Procurement James Purkis, Executive Vice President, Regional Express Rail Lisa Thomas, Vice President, Program Management Steve Naylor, Director, Business Planning Alba Taylor, Senior Legal Counsel and Associate Corporate Secretary

CLOSED SESSION

1. CEO/Board In Camera Session

The Board met in the absence of staff other than the President and Chief Executive Officer.

2. Call to Order and Remarks by Chair

Chair Prichard called the meeting to order at 9:00 a.m.

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.

3. Approval of Minutes

RESOLVED:

THAT the minutes of the Board of Directors meetings of February 10, 2016, February 23, 2016, and, April 27, 2016. be approved.

Carried

PUBLIC SESSION

4. Call to Order and Remarks by Chair

Chair Prichard called the meeting to order at 10:00 a.m.

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.

Chair Prichard welcomed Deputy Minister of Transportation Stephen Rhodes to the meeting.

Chair Prichard acknowledged receipt of the following correspondence, which has been distributed to the Board:

- a) Correspondence from the following elected officials requesting reconsideration of a new station at Lakeshore and Park Lawn (Park Lawn Go Station):
 - i. Federal Member of Parliament (Etobicoke Lakeshore) James Maloney, dated June 23, 2016;
 - ii. Member of Provincial Parliament (Etobicoke Lakeshore) Peter Milczyn, dated June 23, 2016;
 - iii. City of Toronto Councillor (Ward 5 Etobicoke Lakeshore) Justin J. Di Ciano, dated June 27, 2016, together with a June 24, 2016 report to Councillor Justin Di Ciano from Bruce Clayton, Manager, Traffic Operations, City of Toronto; and

- iv. City of Toronto Councillor (Ward 6 Etobicoke Lakeshore) Mark Grimes, dated June 23, 2016;

together with letters of support from:

- v. Maria Ancona, President, TSCC 2194, Beyond the Sea;
 - vi. Deborah Anderson, Property Manager, Wilson Blanchard Management Inc. on behalf of Shirley Knight, President, TSC 1507;
 - vii. Landy Gramshi, Property Manager, TSCC 1826;
 - viii. Ann Gray, President, MTCC 912, Marina Del Rey, Phase II;
 - ix. Dr. Donald Henderson, President, Humber Bay Shores Condominium Association;
 - x. Lachlan MachLachlan, President, MTCC 965;
 - xi. Manu Malkani, Vice President, YCC 382, Palace Pier;
 - xii. Loretta Mattiazzo Baldry, President, MTCC 1356;
 - xiii. Sherali Najak, TSCC 2408, Waterscapes Building;
 - xiv. Clive Richards, President, TCECC 1558;
 - xv. Malcolm Slater;
 - xvi. Steve Sykes, President MTCC 864, Marina Del Ray, Phase I; and
 - xvii. Randy Twigg, President, MTCC 973, Marina Del Ray, Phase III.
- b) Correspondence from His Worship Maurizio Bevilacqua P.C., Mayor of the City of Vaughan, dated June 27, 2016 regarding the Kirby and Concord stations;
 - c) Correspondence signed by the following individuals dated June 22, 2016 and regarding expanded GO Train service on the Kitchener corridor:
 - i. Mike Boos, Executive Committee Member, Tri-Cities Transport Action Group;
 - ii. Nicole Cedrone, Heart Lake/Snelgrove Community Activist;
 - iii. Andrew deGroot, Co-Founder, One Brampton;
 - iv. Eloa Doner, Co-Founder, Etobicoke-Creek Residents Association;
 - v. Chris Drew and Kevin Montgomery, Co-Founders, Fight Gridlock in Brampton;
 - vi. Harpreet and Jesse Hansra; Brampton South and Fletcher's West Residents;
 - vii. Joe Horneck, Co-Chair, Western GTA Summit;
 - viii. Bruce Marshall, Bramalea Resident; and
 - ix. Harpreet Zingh, Co-Founder, Lab-B;
 - d) Email correspondence from Gordon Prentice dated June 26, 2016 regarding a proposed new station at Mulock Drive; and

- e) Correspondence from Laura Zeglen, Chair of Options for Davenport, dated May 13, 2016, regarding Options for Davenport's independent environmental assessment for the Davenport Diamond rail grade separation; and

5. CEO's Report

Bruce McCuaig, President and CEO, presented the CEO's report.

Mr. McCuaig identified recent network challenges that significantly impacted GO Transit's customers and services. A combination of schedule changes, construction activities, and equipment failures led to substantial network delays. Mr. McCuaig apologized to Metrolinx's customers for the resulting travel impacts.

Mr. McCuaig highlighted recent Metrolinx key achievements including: PRESTO's continued TTC deployment and achieving 2 million active PRESTO card users; sustained UP Express ridership growth; completion of the Crosstown west tunnel to Yonge Street; the opening of new GO Transit facilities including maintenance facilities in Aberfoyle and Hamilton and a new station facility at Square One; and new GO Transit service announcements including extended service to Bowmanville and Niagara, and increased service to Kitchener.

Mr. McCuaig also noted several awards recently presented to Metrolinx such as: the Amethyst Award for achievement in public service, awarded to Metrolinx and Ministry of Transportation staff for Pan Am and Parapan Am Games transportation planning; the Canadian Green Building Council Government Leadership Award for sustainability initiatives implemented at Metrolinx facilities; and the Consulting Engineers of Ontario's Willis Chipman award for CH2M Hill's program management services for UP Express.

6. Regional Express Rail

6.1 Regional Express Rail Planning Update

CEO Bruce McCuaig and Leslie Woo, Chief Planning Officer, provided an overview of progress on various Regional Express Rail ("RER") planning initiatives including new station location recommendations, RER and SmartTrack service integration, the preliminary results of the enhanced Eglinton West rapid transit business case analysis and recommended alignment, and funding recommendations for City of Toronto projects incremental to RER. Staff emphasized the importance of Metrolinx's regional, municipal and community partnerships in the work undertaken so far, and for the future success of the RER program generally. For this reason certain work, including new station location development and SmartTrack maintenance and operation costs, will require municipal confirmation and commitment.

As part of the RER program staff are recommending the development of twelve new rail stations. These new station locations can be organized into three broad categories: high density areas with a mature customer base; emerging growth areas; and new markets. Based on these recommendations, future work includes specifying precise station locations and identifying costs related to constructing new or upgrading existing stations to meet desired service levels. Municipalities must confirm and commit to the new station locations before November 30, 2016 in order to meet RER procurement

timelines.

The Board discussed factors contributing to the recommended station assessments and to the Parklawn and Concord stations specifically, which are not recommended for development at this time. Staff described the current contextual challenges related to these stations, including proximity to other stations, accessibility, and impact on corridor travel times. Staff acknowledged that, as circumstances change, the feasibility of these and other stations not currently recommended may also change.

The Board asked about land value capture opportunities at the new stations. Staff confirmed that these opportunities will be pursued with adjacent land owners and private sector development partners.

Mr. McCuaig presented an update on the Regional Express Rail and SmartTrack integration business case. The business case supports an integrated service with the recommended new stations. However, additional work is required to determine level of service.

Mr. McCuaig provided an update on the enhanced Eglinton West Rapid Transit business case. Staff continue to discuss extended service on Eglinton with the City of Toronto, the Greater Toronto Airports Authority, and local communities.

The Board supported staff's recommendations, noting the significance of this work in transforming the GO Transit network and transportation services across the region.

RESOLVED, that the Metrolinx Board of Directors:

1. Approve the following new stations to be included in the GO RER 10 year program subject to formal confirmation to Metrolinx of funding by November 30, 2016 as well as meeting the conditions presented in Section 1.4 of this report:
 - i. On the Barrie corridor, new stations at Spadina (at Front St.), Bloor-Davenport (Bloor St. near Lansdowne Ave.), Kirby (near Keele St.), Mulock (near Bayview Ave.), and Innisfil (at 6th Line);
 - ii. On the Kitchener corridor, new stations at Liberty Village (at King St. West), St. Clair West (near Weston Rd.), and Breslau (near Greenhouse Rd.);
 - iii. On the Lakeshore East and Stouffville corridors, new stations at Don Yard/Unilever (between Cherry St. and Eastern Ave.) and Gerrard (near Carlaw Ave.);
 - iv. On the Stouffville corridor, new stations at Lawrence East (between Kennedy Rd. and Midland Ave.) and Finch (between Kennedy Rd. and Midland Ave.).
- 1.1 Request that municipalities where these recommended new stations (1.(i) through to 1.(iv)) are located provide resolutions to Metrolinx by November 30, 2016 indicating their agreement to the station location(s) and demonstrating their commitment to implementing transit supportive land-uses around stations, and sustainable station access.

- 1.2 Advise municipalities that the following stations are not being included in GO RER 10 year program at this time:
 - i. Highway 7-Concord (Vaughan)
 - ii. Park Lawn (Toronto)
 - iii. Woodbine, at Highway 27 (Toronto)
 - 1.3 Advise municipalities that Metrolinx will continue to collaborate to improve the strategic, economic, financial, and operations cases for these locations (1.2(i) through to 1.2(iii)) and bring them forward for future consideration to the Metrolinx Board. Additional considerations will include any additional land use in the area that supports transit-oriented development and optimizes provincial transit infrastructure investments.
 - 1.4 Direct staff, as part of the ongoing regional transportation planning legislated review process, to continue ongoing dialogue with all municipalities to ensure that Metrolinx has current information regarding the status of locations that might be considered as part of the GO network beyond the ten-year window of the current GO RER program.
 - 1.5 Direct staff to thank all the municipalities across the region who have provided input to this analysis for their ongoing collaboration and share this report with them.
2. Endorse an integrated SmartTrack Concept including GO Transit Rail Corridors and Eglinton West LRT extension:
 - 2.1 Endorse a GO RER concept that integrates SmartTrack concept with up to six new stations at: St. Clair West (at Weston Rd.), Liberty Village (at King St. West), Don Yard/Unilever (between Cherry St. and Eastern Ave.), Gerrard (near Carlaw Ave.), Lawrence East (between Kennedy Rd. and Midland Ave.), and Finch (between Kennedy Rd. and Midland Ave.) and an estimated capital cost of \$0.7 to 1.1B (\$2014; costs do not include escalation, financing costs, lifecycle and operating and maintenance).
 - 2.2 Advance the preferred Eglinton West LRT extension alignment with 11 to 15 stops between Mt. Dennis and Pearson Airport, running at grade with targeted grade separations, consistent with the findings of the Eglinton West LRT Initial Business Case (2016), subject to further engagement with the local community, with an estimated cost of \$1.5 to 2.1B (\$2014; costs do not include escalation, financing costs, lifecycle and operating and maintenance) and direct staff to:
 - i. Collaborate with the City of Toronto, TTC and the local community to review traffic operations, stop locations, and grade

- separations and further develop the Eglinton West LRT integrating design excellence and sustainability objectives.
- ii. Continue working with the Greater Toronto Airports Authority on the alignment connecting to Toronto Pearson International Airport.
 - iii. Coordinate planning with the City of Mississauga on the interface with the BRT.
 - iv. Continue to consult with the public in Toronto and Mississauga on the development of the Eglinton West LRT plans.
3. Direct staff to continue discussions among orders of government to confirm that costs incremental to the GO RER program, including, new stations in the City of Toronto, the Eglinton West LRT extension, infrastructure and services will need to be funded through contribution from the City of Toronto, the Government of Canada and other sources of funding, including local development contributions. This includes incremental capital construction costs, escalation, financing, lifecycle and operations/maintenance of the incremental new service.
- 3.1 In order for SmartTrack components to be procured alongside RER, the Province and Metrolinx require the City of Toronto's commitment to full funding (including capital with escalation and financing, operating/maintenance costs for SmartTrack, and operating/maintenance costs for LRTs) by November 2016.
4. Direct staff, as set out in the Metrolinx Board June 25, 2015 report entitled "Yonge Relief Network Study," to advance the Relief Line in collaboration with the City of Toronto and the Toronto Transit Commission to ensure that it achieves significant relief to the Yonge subway and is an integrated approach incorporating further business case analysis and the current work by the City of Toronto, alongside the other Next Wave projects.

Carried

7. GTHA Fare Integration Update

Leslie Woo, Chief Planning Officer, and Eve Wyatt, Senior Manager, Applied Research & Corporate Monitoring, provided a summary of the GTHA fare integration early findings. Fare integration is needed to optimize transportation usage in the region, and can be enabled through PRESTO.

Staff described the challenges and advantages of each of the three proposed fare integration concepts: modifying the existing fare structure; creating a new zone-based system; or creating a hybrid fare structure combining a base fee and travel by distance amount. All three concepts provide socioeconomic and environmental benefits, and increases in transit use. However, staff cautioned that achieving simultaneous increases in ridership and revenue are not possible. Early analysis indicates that with each 1% of new ridership comes a short term revenue reduction of 5-7%.

The Board discussed the differences between the three fare concepts, the impacts of charging a double fare between services, double fare subsidy options, and the growth forecasts and projections used in staff's analysis.

The Board debated the ideal fare concept if no fare structure currently existed. Staff cautioned that conceptualizing an ideal fare structure in the abstract is difficult since fare structures evolve based on local contexts, including political climate and how, and by whom, transit services are delivered. An ideal state cannot be assessed without taking these factors into account.

The Board also discussed Metrolinx's authority to implement a fare integration policy. Staff acknowledged that any fare integration policy would require the agreement of all impacted municipalities.

A further update is anticipated in September 2016. The Board asked that the update include consideration of related financial implications for each concept, a jurisdictional scan of fare structures that include a base fee, and options on how to compress base fees across the system.

8. Regional Transportation Plan ("RTP") Review Discussion

Staff are recommending the release of a paper to initiate discussions on the regional transportation plan legislative review. The discussion paper will seek input on evolving areas such as service integration, congestion management, active transportation, technology or new mobility (such as ride sharing), and identification of new mobility hubs. Input received will form the basis of the new draft plan anticipated in 2017.

The Board asked staff to support recommendations in the RTP by including measures relating to financial performance, sustainability, and operation and maintenance cost indicators.

RESOLVED:

THAT subject to layout, minor edits and modifications requested by the Board, the Discussion Paper be released for public consultation in the coming weeks;

AND THAT the Discussion Paper be posted on the EBR for a 90 day period;

AND THAT staff report back at the end of 2016 on the results of the consultation.

Carried

9. Metrolinx Five Year Strategy

Leslie Woo presented the 2017-2022 Metrolinx Five Year Strategy. The revised Strategy focuses Metrolinx's efforts on four priority areas: leading the transformation of regional mobility; providing and facilitating a safe, high quality and connected customer experience; enhancing financial stewardship and accountability; and earning and maintaining public trust.

The Board discussed Metrolinx's work on goods movement. Staff confirmed ongoing industry discussions through a Metrolinx-led forum with key logistics leaders in the region.

RESOLVED:

THAT subject to minor editing and formatting, the 2017-2022 Metrolinx Five Year Strategy (the "Strategy") attached to the report to the Board dated June 28, 2014 from the Chief Planning Officer be approved;

AND THAT the President and CEO align corporate budgeting, priorities and performance planning with this Strategy;

AND THAT the President and CEO be authorized to post this Strategy on the Metrolinx website for public information.

Carried

10. 2015-16 Annual Report

Bryan Davies, Chair of the Audit, Finance and Risk Management Committee, presented Metrolinx's 2015-16 Annual Report and audited financial statements. Mr. Davies confirmed that the Committee had had a fulsome discussion with the external auditor on the report and financial statements and was satisfied with the 2015-2016 Annual Report.

For future reports, the Board asked staff to consider including more information on Metrolinx's project delivery over the year.

RESOLVED, as revised:

THAT the Metrolinx Annual Report 2015/16, including the Audited Financial Statements for the year ended March 31, 2016, be approved;

AND THAT the CEO submit the Annual Report to the Minister of Transportation and Minister of Finance in accordance with the *Metrolinx Act, 2006*

Carried

11. Customer Experience Committee Chair Report

Marianne McKenna presented a report on recent Customer Experience Committee activities including: review of new signage and wayfinding initiatives; improvements to self-service ticketing services; consideration of various safety programs for vehicles at GO stations; the recent PRESTO cardholder social media campaign; UP Express ridership growth and one year anniversary events; and design excellence achievements including the Crosstown Integrated Art Program.

12. Quarterly Reports

Quarterly Reports for PRESTO, Operations, Planning and Policy, Communications and Public Affairs, and Capital Projects were taken as read.

OTHER BUSINESS

Appointment of Director of Internal Audit

Chair Prichard welcomed Peggy Gilmore, Metrolinx's new internal auditor.

RESOLVED:

THAT effective June 27, 2016, the Board appoints Peggy Gilmore as Director, Internal Audit.

Carried

CLOSED SESSION

13. Report of Board Standing Committees

13.1 Executive Committee

Robert Prichard, Executive Committee Chair, reported to the Board.

13.2 Audit, Finance and Risk Management Committee

Bryan Davies, Audit, Finance and Risk Management Committee Chair, reported to the Board.

13.3 Governance Committee

On behalf of the Committee Chair, Chair Prichard reported to the Board.

13.4 Human Resources and Compensation Committee

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

13.5 Customer Experience Committee

Marianne McKenna, Customer Experience Committee Chair, reported to the Board.

14. Agenda Proposals for Next Meeting

There were no agenda proposals for the next meeting

15. Other Business

There was no other business to discuss.

EXECUTIVE SESSIONS

16. Executive Session

The Board held an executive session in the absence of staff other than the CEO.

17. Executive Session

The Board held an executive session in the absence of staff. Minutes relating to matters approved during this in camera session are maintained in a separate confidential record.

ADJOURNMENT

There being no further business before the Board of Directors, the meeting was adjourned at 2:00 p.m.

Carried

J. Robert S. Prichard, Chair

Mary Martin, Secretary

c/s