

BOARD OF DIRECTORS

- DATE OF MEETING:** March 8, 2018
- TIME OF MEETING:** 8:00 a.m.
- PLACE OF MEETING:** Union Station West Wing
97 Front Street West
Toronto, Ontario M5J 1E6
- Peter R. Smith Boardroom, 4th Floor
- CHAIR:** J. Robert S. Prichard
- PRESIDENT & CEO:** Phil Verster
- MEETING SECRETARY:** Mary Martin, Executive Vice President, General Counsel and Corporate Secretary
- MEMBERS PRESENT:** Upkar Arora
Kathy Bardswick
Rahul Bhardwaj
Bryan Davies
Janet Ecker
Anne Golden (*via teleconference*)
Marianne McKenna
Rose Patten
Bonnie Patterson
Howard Shearer
Sharleen Stewart
- REGRETS:** Bill Fisch
Carl Zehr
- OTHERS PRESENT:** Annalise Czerny, Executive Vice President, PRESTO (Acting)
Helen Ferreira-Walker, Chief Human Resources Officer
Greg Percy, Chief Operations Officer
Judy Pfeifer, Chief Communications & Public Affairs Officer
Mary Proc, Chief Customer & Marketing Officer (Acting)
Robert Siddall, Chief Financial Officer
Leslie Woo, Chief Planning Officer
Peter Zuk, Chief Capital Officer

Karla Avis-Birch, Director, Corridor Infrastructure - Off Corridor
Antoine Belaieff, Director, Regional Planning
Darryl Browne, Vice President, RER Transformation
Sharyn Byrne-Nearing, Director, Brand & Marketing
Stephanie Davies, Director, Bus Program
George Bell, Vice President, Safety & Security
Ana Derksen, Lead, Capital Programs Group Safety
Joshua Engel-Yan, Director, Research & Planning Analytics
Peggy Gilmour, Director, Internal Audit
Rajesh Khetarpal, Director, Stakeholder Relations
Devon Khusial, Manager, Market Research
Andre Lalonde, Director, Rail Corridor Infrastructure
Gunta Mackars, Director, Program Development
Andre Marois, Director, Corridor Infrastructure - Lakeshore East
Steve Naylor, Director, Business Development & Partnerships
Nick Spensieri, Director, Corridor Infrastructure - Barrie
Lisa Thomas, Vice President, Program Management
Alba Taylor, Sr. Legal Counsel & Associate Corporate Secretary
Ehren Cory, Infrastructure Ontario
Charl van Neikerk, Infrastructure Ontario
Derrick Toigo, Infrastructure Ontario

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 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.

There were no conflicts of interest declared.

3. Strategic Objectives

Phil Verster, President & CEO introduced George Bell, Vice President, Safety and Security, and Ana Derksen, Lead, Capital Programs Group Safety, to describe

activities underway to improve safety leadership, operational and employee safety, and safety management in Metrolinx's construction program. These activities will support the achievement of Metrolinx's safety strategic priorities. Staff compared Metrolinx's safety statistics to National, American and European industry comparators, including cardinal rule violations and employee lost time injury frequency rates. Metrolinx's goal is to be the best in North America in the near term, and the best in the world in the longer term. Staff emphasized the need to both operate and build safely, and described various activities are underway to improve contractor and construction safety including embedding safety specialists within the Capital Projects Group and providing contractor training.

The Board discussed how customer safety is embedded in Metrolinx's safety program, and what behavioural changes can be made to improve cardinal rule violation rates while upgrades to Metrolinx's signalling system are implemented through the Operator procurement.

Going forward, staff will report to the Board annually on Metrolinx's safety program, while maintaining quarterly updates at the Audit, Finance and Risk Management Committee.

PUBLIC SESSION

4. Call to Order and Remarks by the Chair

Chair Prichard called the meeting to order at 9:45 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 acknowledged receipt of the following correspondence, which has been distributed to the Board:

- a) Correspondence from George Westel, dated February 24, 2018, requesting the creation of a pedestrian crossing across the Richmond Hill Corridor to facilitate access to the Lower Don River;
- b) Correspondence from Edward Leon, President of the LFL Group, dated February 27, 2018, regarding advancing the Jane LRT Project as described in the 2041 Regional Transportation Plan;
- c) Correspondence from Jim Reekie, President of the Humber Bay Shores Condominium Association, dated February 22, 2018, regarding the initial business case for a Park Lawn GO station;

- d) Correspondence from Brenda Thompson, Vincent Puhakka, Richard Hennick and Moya Beall, Scarborough Transit Action, dated February 12, 2018, regarding Metrolinx's review of the Kirby and Lawrence East SmartTrack Stations, the Scarborough Subway Extension, and the seven-stop Scarborough LRT;
- e) Correspondence from Justin Davis, dated January 1, 2018, regarding the \$6.00 PRESTO card issuance fee and a monthly printed PRESTO card; and
- f) Correspondence from the Toronto and Region Conservation Authority dated March 8, 2018 requesting the approval and implementation of a climate change strategy to support the Regional Transportation Plan.

5. CEO's Report

Phil Verster presented the CEO's report.

Acknowledging the importance of International Women's Day, Mr. Verster noted Metrolinx's commitment to women and gender diversity demonstrated by the balance of genders on the Board of Directors and Executive Management Team. Metrolinx has also committed to increasing the number of women at the senior manager level and above from 28% to 50% by 2021. Finally, Metrolinx also supported the global #PT4ME (public transit for me) campaign, to advance the safety of women in public transport.

Mr. Verster called out key Metrolinx achievements of the past quarter including: the opening of the Downsview Park GO Station on the Barrie corridor; launch of the double-discounted fare for TTC-Metrolinx customers; launch of PC Express, a partnership with Loblaw to provide click-and-collect service at select GO stations; expansion of PRESTO sales at Shopper's Drug Mart stores outside of Toronto; and the issuance of procurement documents for Lakeshore East Package 1 project, Davenport Diamond, and the hydrogen fuel cell pilot locomotive. Construction has also begun at the Confederation GO Station construction.

Mr. Verster described recent stakeholder and public engagement activities including an "Ask Metrolinx" public town hall session and public presentations to the Toronto Board of Trade and Canadian Council for Public-Private Partnerships on Metrolinx's strategic objectives and Regional Express Rail (RER) expansion.

Finally, Mr. Verster acknowledged the courageous actions of two Metrolinx employees: Michael, a train conductor and Shane, a Customer Service Ambassador, who came to the aid of a man in distress. Michael and Shane successfully deployed

first aid, keeping the customer alive and safe until paramedics arrived at the scene. Mr. Verster stated the importance of training and following protocol in times of emergency.

6. Integrated Art Program

Leslie Woo, Chief Planning Officer, Gunta Mackars, Director, Program Development, and Laura Berazadi, Senior Advisor, described Metrolinx's integrated public art program.

Metrolinx has established a Design Excellence division to consolidate all design disciplines, including the integrated public art program.

Staff described the many benefits of the Integrated Art Program, such as enhanced customer experience, community impact, reputational leadership, civic responsibility, and local ownership. Initiated in 2014 and approved by policy in 2016, Metrolinx's program sets a guideline of 1% of eligible construction costs to be dedicated to artwork on public projects. Artists are selected through a professionally-led process. The resulting artwork must be permanent with minimum maintenance costs, and integrated with the entire project for a seamless journey for the customer.

On January 16, 2018, Metrolinx publicly launched the Integrated Art program and announced the selection of artwork concepts for the Eglinton Crosstown LRT. Staff provided an overview of the eight artworks that will be installed, commencing in 2021. In addition to Eglinton Crosstown program, there are more than 18 other projects underway including the Davenport Diamond guideway, with over \$25 million in funding committed to system beautification.

The Board asked about diversity of artists and artwork under the program. The program's goal is to generate diverse forms of art and artists. Staff are encouraged by the representation of female and emerging artists in the program. The Board emphasized the importance of including Indigenous art in the program, and hope to see representation of Indigenous in the program grow .

7. Regional Transportation Plan and Next Steps

Leslie Woo, Antoine Belaieff, Director, Regional Planning, and Rajesh Khetarpal, Director, Stakeholder Relations, presented the results of consultations and related recommendations for the 2041 Regional Transportation Plan (RTP). Key revisions made to the draft include:

- strengthening the Vision and Goals language on sustainability, health, safety, accessibility, equity and goods movement;

- clarifying the relationship between the RTP and other municipal and provincial plans and policies;
- reframing actions to focus on outcomes;
- adding actions to prioritize community safety and safety, security and emergency preparedness; and
- updating project maps and figures.

The Board discussed the challenge of addressing all the comments received to provide a comprehensive framework that incorporates policy and infrastructure recommendations, and social services and access issues, while keeping in mind Metrolinx's mandate and jurisdiction. The Board also discussed the planning area of the RTP, which is limited to the Greater Toronto and Hamilton Area, and whether it should include the Greater Golden Horseshoe. Staff described how they worked with local municipalities to ensure their comments and concerns were addressed. Staff also noted that the RTP is intended to be a living document, that can adapt to changes along the way, such as the creation of a new airport.

To address questions relating to implementation, prioritization, funding and decision-making, staff have created the "Making it Happen" paper (MiH Paper). The MiH Paper considers the role of collaborative regional decision making, priority setting, funding, and monitoring and reporting, in the context of implementing the RTP. Staff will engage in broad consultations with the public and provincial, municipal and non-governmental partners throughout 2018 to seek input on the MiH Paper. Staff's engagement strategy includes establishing a new intergovernmental transit forum, and possibly a standing residents panel. Staff will report back on the results of consultations in September 2018.

The Board commended staff on the comprehensiveness and inclusiveness of the final RTP document, and the creation of the MiH Paper which balances the tension between an aspirational plan with a practical implementation plan for delivery.

Staff acknowledged the important contributions of the public and various stakeholders on the development of the RTP, and thanked the Board for their oversight and support throughout the process.

RESOLVED:

THAT based on the recommendations in the report prepared by the Director, Regional Planning, entitled "Draft Final 2041 Regional Transportation Plan", any further amendments directed by the Board, and final formatting of content and document design, the Board approve the attached 2041 Regional Transportation Plan (2041 RTP);

AND THAT subject to the Board's comments, and final formatting of content and document design, the Board approve the attached Making it Happen Paper (MiH Paper) for discussion;

AND THAT staff report back to the Board at the September 2018 meeting on progress from the discussions;

AND THAT the Board of Directors express their appreciation to the municipalities in the region for contributing to the development of the 2041 RTP, and forward copies of the 2041 RTP, once approved, to each council in the GO service area;

AND THAT the Chair of the Board forward the 2041 RTP, once approved, to the Minister of Transportation.

Carried

8. RER New Stations - Preliminary Design Business Cases

Leslie Woo, Joshua Engel-Yan, Director, Research & Planning Analytics, and Nadine Navarro, Manager, RER Project Planning, presented the results of the Preliminary Design Business Cases for the GO Regional Express Rail New Stations.

Twelve preliminary design business cases have been completed, five initial business cases have been updated, and two additional initial business cases have been started on the recommended RER stations. Staff reviewed the project stage gate process, and how business case analysis fits within this framework. For each station, financial analysis was performed over a sixty-year lifecycle, taking into account the cost and benefits of each station. The business case analysis also considered ways to optimize system improvements, for example, by including consideration of future initiatives, such as express service, level boarding and fare integration.

Staff confirmed the business cases were posted online prior to the Board meeting. Based on this analysis, staff are recommending that all twelve locations move forward in the project planning process. They will also be incorporated in the full business case for the RER program.

Staff noted that station costs have increased in the updated analysis because additional information and higher levels of design have been incorporated into the process. Related benefits have also increased.

The Board discussed the impact of service changes on the benefits analysis, such as the cost/benefit ratio of a station like Mulock, which may change based on service patterns. Staff described how service planning assumptions are an important part of

the business case analysis. Fare integration, land use planning and local transit service assumptions are also important elements that have been incorporated in the business case analysis.

Staff described how station planning and procurement work will align with the operator procurement.

Staff confirmed that additional information on the business case analysis can be made available on request.

RESOLVED, THAT based on the recommendations in the report prepared by the Chief Planning and Development Officer, entitled "GO Expansion RER New Stations Business Cases", and any further amendments directed by the Board at its meeting on March 8, 2018:

1. **THAT** staff continue the delivery of all the twelve new stations identified at the Metrolinx Board meeting of June 28, 2016; subject to further policy, infrastructure and operating refinements;
2. **AND THAT** staff advance the Park Lawn location to the Preliminary Design Business Case;
3. **AND THAT** staff be requested to continue to work with municipal officials to ensure that current policy and planning information continues to be incorporated through to the next stage.

Carried

9. Capital Program Delivery

Peter Zuk, Chief Capital Officer, together with Lisa Thomas, Vice President, Program Management, Nick Spensieri, Director, Corridor Infrastructure - Barrie, Karla Avis-Birch, Director, Corridor Infrastructure - Off Corridor, Stephanie Davies, Director, Bus Program, Andre Marois, Director, Corridor Infrastructure - Lakeshore East, and Ehren Cory, Derrick Toigo, and Charl van Neikerk, from Infrastructure Ontario, presented an update on Metrolinx's project delivery and cost controls in order to achieve Metrolinx's strategic objective of implementing 100% of all 2018/19 project milestones.

Staff described a number of projects currently underway, demonstrating the scope of Metrolinx's capital program. Recently a number of changes have been implemented to improve project delivery and cost controls. These include integrating Metrolinx and Infrastructure Ontario staff into an integrated project team; conducting regular

strategy, program and budget reviews; developing Metrolinx's project management capabilities; and developing a master schedule.

The Board discussed data management and information integrity. Staff confirmed that the alignment of documentation and project information is underway to ensure a single point of view, improving accuracy and efficiency and reducing the risk of conflicts.

The Board discussed how staff will ensure design excellence is preserved through Metrolinx's new processes and controls, and throughout the project lifecycle. Staff acknowledged that various design excellence elements will be captured by the benefits management framework, overseen by project sponsors. In addition Metrolinx is building a design excellence team to be led by a senior leader in the organization.

10. Operational Excellence

Greg Percy, Chief Operations Officer, together with George Bell, Vice President, Safety and Security, Andre Lalonde, Director, Rail Corridor Infrastructure, Darryl Browne, Vice President, RER Transformation, and Jessalynn Selby, Director, Customer Care, described how Metrolinx's operations are evolving to meet Metrolinx's operational strategic objectives, including a 25% increase in train and bus services capability and increased focus on safety.

Staff described the challenge of managing increased construction and trip frequency while striving to meet on-time performance targets and customer satisfaction goals. Customer satisfaction requires strong customer engagement and communication, and reliable and comfortable service. Plans to improve customer care include: use of digital signs; increased social engagement; and launch of a revised GO Transit website with functionalities driven by customer demand.

To address capacity concerns staff are reviewing business process and implementing elements of a LEAN culture, with the goal of eliminating waste and maximizing value to the customer.

11. Driving Ridership & Revenue

Mary Proc, Chief Customer & Marketing Officer (A), together with Sharyn Byrne-Nearing, Director, Brand & Marketing, Steve Naylor, Director, Business Development & Partnerships, and Devon Khusial, Manager, Market Research, described Metrolinx's plans to increase ridership and non-fare revenue by delivering a 3:1 return on investment for marketing activities and implementing a retail strategy.

Staff described how customer analytics are being used to deepen Metrolinx's understanding of what customers want, which in turn can be used to drive change and develop new services.

Staff described recent non-fare revenue initiatives, partnerships, loyalty programs and promotional opportunities, also being driven by new customer insights.

The Board asked about the risk of brand confusion when adding new partnerships. Staff acknowledged the important role of design excellence in Metrolinx's partnership strategy, which works to ensure that Metrolinx's brand remains intact.

12. PRESTO Privacy - Law Enforcement Requests Report

Mary Martin, Executive Vice President, General Counsel and Corporate Secretary, and Chief Privacy Officer, and Alba Taylor, Sr. Legal Counsel & Associate Corporate Secretary, provided an update on PRESTO's privacy policy and summarized law enforcement requests received and responded to during 2017. Staff confirmed that the Information and Privacy Commissioner's office reviewed and provided comments on the revised privacy policy and proposed transparency report, which reports on law enforcement requests for PRESTO data over the past year. In 2017 Metrolinx received 64 requests from law enforcement for PRESTO customer data. Overall, information was only provided 47% of the time.

The Board discussed the tension between preserving customer privacy and assisting law enforcement. Staff believe this tension can be managed through an organized process which provides oversight and effective controls, while aiming to minimize the disclosure of requested information.

RESOLVED:

THAT the 2017 PRESTO Law Enforcement Request Data report (the "Report") attached to the Executive Vice President, General Counsel and Corporate Secretary and Chief Privacy Officer's March 8, 2018 report to the Board be received, and that staff be directed to post the Report on the PRESTO website.

Carried

13. Auditor General Report Follow-up

Peggy Gilmour, Director, Internal Audit, provided an update on activities to address the Auditor General's 2016 recommendations on construction contract awarding and oversight. Staff also summarized other Auditor General activities underway including

a value-for-money audit on light rail transit planning and construction and GO stations selection, and follow-up reviews of activities in response to the 2012 and 2014 regional transportation plan audits. Staff confirmed that all activities remain on track.

14. Customer Experience Committee Chair Report

Marianne McKenna, Customer Experience Committee Chair, provided an update on recent Customer Experience Committee activities including: review of the Tim Hortons pilot project; GO website refresh; PRESTO rollout on the TTC; GO Transit customer Wi-Fi; the creation of a Design Excellence division within Metrolinx to build integrated internal capacity and a centre of excellence; and the integrated art program on the Eglinton Crosstown project.

15. Quarterly Reports

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

CLOSED SESSION

16. Approval of Minutes

RESOLVED:

THAT the minutes of the Board of Directors meetings of December 7, 2017 be approved.

Carried

17. Safety Strategic Priorities

A presentation of Metrolinx's safety strategic priorities was received during the morning *in camera* session.

18. Report of the Board Standing Committees

18.1 Executive Committee

Robert Prichard, Executive Committee Chair, presented a report on the Committee's December 14, 2017, January 24, 2018, and March 7, 2018, meetings.

18.2 Audit, Finance & Risk Management Committee

Bryan Davies, Audit, Finance & Risk Management Committee Chair, reported on the Committee's March 7, 2018 meeting including: the Committee's review of the Internal Audit Plan and Charter; capital and operating budget status; PRESTO Subcommittee membership review; and recent Auditor General activities.

The Committee recommended that the Board approve the following matters:

18.2.1 Contract Approval Authorization and Document Execution Policy - Real Estate Transaction Revisions

The Committee recommended revisions to Metrolinx's Contract Approval Authorization and Document Execution Policy to recognize the recent reorganization of Metrolinx's realty operations.

RESOLVED, on recommendation of the Audit, Finance and Risk Management Committee:

THAT, in accordance with the March 7, 2018 report to the Audit, Finance and Risk Management Committee from the Executive Vice President, General Counsel and Corporate Secretary (the "Report"), the Contract Approval Authorization and Document Execution Policy (the "Policy") revisions required to give effect to the reorganization of the realty functions within Metrolinx as described within the Report be approved;

AND THAT the Board authorizes those individuals identified in the Report to execute contracts and realty agreements (as described in the Policy) on behalf of Metrolinx pursuant to section 2.3(a)(iii) of By-Law No. 1;

AND THAT the Policy be amended to give effect to the foregoing, with all previous versions of the Policy repealed and replaced by the revised Policy as described in the Report.

Carried

18.3 Governance Committee

Rahul Bhardwaj reported on the Committee's March 7, 2018 meeting including: recommendations on the timing and number of Board meetings; agenda items for the April 26 strategy session; upcoming changes in Board composition; and the Board's responsibility for harassment policy oversight.

To address the expiry of upcoming Board member terms, on recommendation of the

Governance Committee, the Board passed the following resolution:

RESOLVED:

THAT, subject to their consent, the Metrolinx Board recommend to the Province that the terms of appointment for Marianne McKenna, Bonnie Patterson and Howard Shearer be extended until the calendar year end, to balance the need to provide continuity on the Board in the short term with the opportunity for member renewal in the longer term.

Carried

The Committee recommended that the Board approve the following additional matters:

18.3.1 Review of Board Standing Committee Terms of Reference

The Committee is recommending a change to the Customer Experience Committee's Terms of Reference to remove a specific reference to reviewing and recommending Board standards and a work plan for the movement of goods and services, from the customer experience perspective.

RESOLVED, on recommendation of the Governance Committee:

THAT as described in the Associate Corporate Secretary's March 7, 2018 report to the Governance Committee (the "Report") the revised Customer Experience Committee Terms of Reference be approved;

AND THAT the current Terms of Reference for each of the Audit, Finance and Risk Management, Executive, Governance, and Human Resources and Compensation Committees as attached to the Report be affirmed.

Carried

18.4 Human Resources & Compensation Committee

Rose Patten, Human Resources & Compensation Committee Chair, presented a report on the Committee's March 7, 2018 meeting. The Committee reviewed Metrolinx's harassment policy and program; rates and reasons for employee attrition; and progress on Metrolinx's People Strategy.

18.5 Customer Experience Committee

Marianne McKenna reported on the Committee's March 7, 2018 meeting including: review of issues relating to recently refurbished coaches; PRESTO TTC roll out; and WiFi pilot implementation.

19. Agenda Proposals for Next Meeting

There were no agenda proposals for the next meeting.

20. Other Business

There was no other business to discuss.

EXECUTIVE SESSIONS

21. Executive Session

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

22. Executive Session

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

23. Adjournment

There being no further business before the Board of Directors, the meeting was adjourned at 3:00 p.m.

Carried

J. Robert S. Prichard, Chair

Alba Taylor,
Associate Corporate Secretary

c/s