



Five-Year Capital Plan and Benefits Case Analysis Work Plan

November 28, 2008

Capital Plan Context

- A funding request for consideration in the Province of Ontario multi-year capital planning process
- Section 6 (2) (j) of *Greater Toronto Transportation Act, 2006* mandates development of rolling five-year Capital Plan
 - Section 11 (3) requires that Board consideration of Capital Plan be open to the public
- Metrolinx Capital Plan a major milestone in implementing the Regional Transportation Plan (RTP)
 - Marks shift from *planning* to *building* phase
 - First step towards a transparent, integrated and region-wide approach to rapid transit multi-year capital funding



Capital Plan Overview

- Proposed Five-Year Capital Plan request totals approximately \$7B, including \$496M in 2009/10
- Proposed transit capital projects divided into three categories based on project readiness and funding status

Category A	Initial RTP Top 15 Priority Projects proposed for early construction implementation in 2009/10
Category B	Remaining commitments to Quick-Win projects
Category C	Balance of RTP Top 15 Priority Projects proposed for Planning/Design/Engineering (PDE) phases

- Note: Top 15 projects with pre-existing funding commitments are not included in the Capital Plan request (see page 11)



Category A Projects

- Two of the RTP Top 15 priority projects proposed for construction implementation in 2009/10:
 - Sheppard East LRT: Don Mills Subway Station to Meadowvale Road in City of Toronto
 - VIVA: Highway 7, Yonge Street and Davis Drive corridors in York Region (Option 2 from VIVA Benefits Case)
- Total proposed funding of \$2.03B over five years, including \$132.4M in 2009/10



Category B Projects

- Remaining funding commitments to Quick Wins projects (announced in spring 2008 Ontario Budget):
 - Hamilton James Street North GO/VIA Station
 - Bolton GO Transit improvements
 - Durham Highway 2 Bus Rapid Transit (early phases)
 - Airport Renforth Gateway
 - *Note:* VIVA Quick-Win commitment included as part of Category A VIVA project
- Total proposed funding of \$107.9M over five years, including \$43.2M in 2009/10



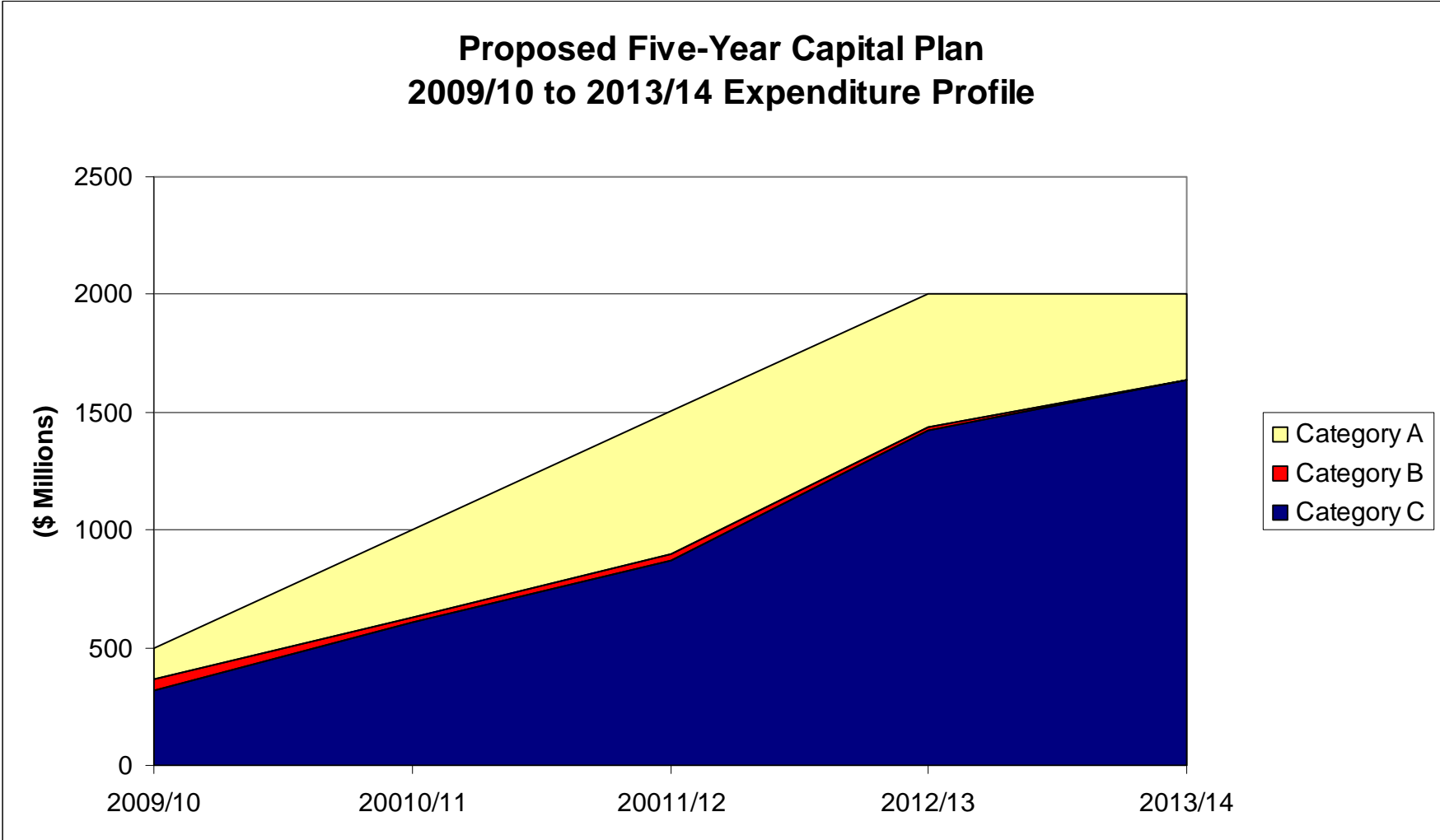
Category C Projects

- Remainder of RTP Top 15 priority projects in various PDE phases (excluding projects with previous commitments):
 - King/Main Rapid Transit in Hamilton
 - Dundas Street Rapid Transit in Halton and Peel
 - Hurontario/Main Rapid Transit in Peel
 - Scarborough RT replacement and extension
 - Finch West LRT
 - Eglinton Crosstown
 - Yonge North Subway extension
 - Durham Highway 2 Rapid Transit
 - GO Lakeshore Express Rail
 - Improvements to existing GO Rail services and extension of GO Rail service to Bowmanville

Category C Projects – Continued

- Total proposed funding of \$4.85B over five years, including \$320M in 2009-10 for PDE requirements
- Beyond 2009/10, proposed expenditure profile ramps up gradually to \$1.64B by 2013/14
 - Category C funding intended to bring proposed projects through PDE phases to construction
 - Results of BCA evaluations and forthcoming project prioritization framework will be brought forward to Metrolinx Board, to support recommendations on moving projects from Category C to Category A

Proposed Expenditure Profile



Outstanding Issues

- To ensure maximum number of projects can be funded through existing commitments, Metrolinx and the Province of Ontario are developing cost eligibility criteria
- Other approaches to be considered for maximizing project value include:
 - Value engineering
 - Project phasing options
 - Performance-based project contribution agreements
- Category C project approvals subject to:
 - Project-level PDE work plans
 - BCA and project prioritization approvals by Metrolinx Board (next page)

Background – Benefits Case Analysis

- November 23, 2007: Board approved six major transformational projects for Alternative Financing and Procurement (AFP) evaluation:
 - GO Lakeshore Electrification
 - Yonge North Subway Extension
 - Scarborough Rapid Transit
 - Finch/Sheppard LRT
 - Eglinton Crosstown
 - York VIVA
- January 25, 2008: Board approved broader project assessment process including the triple bottom-line Benefits Case Analysis (BCA) to support optimal project technology, scoping and phasing recommendations



Background – Top 15 Priority Projects

- In approving the RTP, the Metrolinx Board confirmed the initial six projects, and identified nine additional projects as Top 15 priorities
 - Proposed New Projects:
 - King/Main Rapid Transit in Hamilton
 - Dundas Street Rapid Transit in Halton and Peel
 - Hurontario/Main Rapid Transit in Peel
 - Durham Highway 2 Rapid Transit
 - Improvements and extensions to existing GO Rail services
 - Projects with Pre-existing Commitments:
 - Mississauga Transitway
 - Rail Link between Union Station and Pearson Airport
 - Toronto-York Spadina Subway Extension
 - Peel Queen Street Rapid Transit (majority already funded through federal, provincial, and municipal commitments to Brampton Acceleride)



BCA Work Plan Rationale

- Enables a fair, transparent process for evidence-based project decision-making
- Provides a consistent region-wide evaluation process with full municipal and transit agency participation
 - Level of detailed information currently available for each project is inconsistent
- Top 15 projects are in various stages of planning, design and/or engineering
 - BCA evaluations on the initial six projects nearing completion
- Staff recommend that:
 - BCAs should be completed for remaining Top 15 projects (excluding projects with previous commitments)
 - Completed BCAs should support Board decisions on project prioritization



Proposed 2009 BCA Work Plan

<i>Project</i>	<i>BCA Completion</i>	<i>Proposed Workplan Strategy</i>
York Viva Sheppard East LRT [1]	October 2008 January 2009	Construction start 2009
Scarborough RT Eglinton Crosstown RT Finch West RT Yonge North Subway Extension GO Lakeshore Electrification	November 2008 January 2009 January 2009 January 2009 January 2009	<div style="border: 1px solid black; padding: 10px; width: fit-content; margin: auto;"> Prioritization Framework to support 2010+ Metrolinx Capital Plan recommendations (by fall 2009) </div>
Hamilton King-Main RT Halton-Peel Dundas RT Peel Hurontario RT Durham Highway 2 RT GO Transit Rail • Bowmanville extension and other service improvements	Summer 2009 Summer 2009 Summer 2009 Summer 2009 Summer 2009	
Pearson Airport-Union Rail Link Spadina Subway Extension Mississauga Transitway Peel Queen Street RT	<div style="border: 1px solid black; padding: 5px; display: inline-block;"> Pre-Metrolinx implementation priorities Previously announced and funded by other sources </div>	

Potential bundle options considered at the BCA project evaluation level include:

[1] Sheppard East and Finch West

[2] Scarborough RT and Eglinton

[3] Majority funded through previous federal, provincial and municipal initiatives



Next Steps

- For Board review and decision:
 - Project prioritization principles (February 2008)
 - Project prioritization scenarios (Spring 2008)
 - Project prioritization recommendations, supported by Benefits Case results (Summer 2009)



Staff Recommendations – Capital Plan

- Approve the five-year Capital Plan with a total 2009/10 - 2013/14 expenditure profile of \$6,996.2M, including \$495.5M for the 2009/10 fiscal year, and submit for provincial funding consideration
 - Approve Category A and B projects for implementation beginning in 2009/10
 - Direct staff to work with municipal and provincial partners to develop PDE funding parameters for Category C projects

- Direct staff to continue working with the Province on project cost eligibility and asset ownership options
 - encourage Province to consult with the municipalities and transit agencies

- Authorize the CEO to work with transit agencies and municipalities to develop Performance/Contribution Agreements for funding projects

- Direct staff to report back in September 2009 with any updates to 2009/10 Capital Plan, the preliminary 2010/11 Capital Plan and five-year Capital Plan for the five fiscal years commencing April 1, 2010



Staff Recommendations – BCA Work Plan

- Approve expanded 2009 work plan for additional BCAs, including:
 - Hamilton RT
 - Halton/Peel RT
 - Peel Hurontario RT
 - Durham Hwy 2 RT
 - GO Rail Improvements, including extension to Bowmanville

- Staff to report back with results of additional BCA evaluations by summer 2009

- BCA work plan to be coordinated with rolling five-year capital plan and concurrent Alternative Financing and Procurement (AFP) evaluations

