

To: Metrolinx Board of Directors

From: Matt Clark
Chief Capital Officer

Date: February 17, 2022

Re: **Capital Projects Group Quarterly Report**

This report principally addresses activity and performance data from Q3 of FY 2021-22 (October 1 to December 31, 2021) while incorporating some ensuing developments where appropriate.

Major Project Updates

Light Rail and Bus Projects

- The Eglinton Crosstown light rail transit (LRT) project marked a significant milestone in December as six light rail vehicles (LRVs) that had previously been trucked to the eastern end of the alignment made their way back by rail to the Eglinton Maintenance and Storage Facility (MSF) for the first time. This represented the start of powered rail operations over the full extent of the line, including over the final section of rail installed in the central tunnel a few weeks earlier. Also in December, Metrolinx and Infrastructure Ontario concluded an agreement with Crosslinx Transit Solutions (CTS) that resolves multiple claims on the project, including those related to COVID-19, a decades-old structural defect discovered at the Eglinton Line 1 Station, as well as a number of other technical matters. As part of this settlement, CTS is prevented from making future claims on a variety of issues that are now considered fully settled.
- On the Finch West LRT, a second LRV has now been delivered to the line's MSF. Low-speed testing inside the MSF yard will begin at around 5 km/hour, before it can head to the "burn-in"-track section, where each train will be tested for 600 km without defect. Construction activity along the 11 km alignment continued to make visible progress throughout the quarter, while out of sight beneath the intersection of Finch Avenue and Keele Street crews continued to excavate the future tunnel and underground station box structure for the line's interchange with Finch West subway station.
- Crews working on the Hurontario LRT completed early works on a two-kilometre stretch of the route in Brampton. The final sections of median have been removed and temporary traffic signals are in place, so the next phase of construction can begin. In December, crews began relocating watermain and storm lines along this section of the route.

GO Expansion Projects

- Since December, customers have had access to the new station building at Rutherford GO Station while crews continue to work through the home stretch of this P3 project to make major upgrades to the station and adjacent railway corridor and road network. The 7,000-square-foot building is a substantial upgrade on its predecessor, and includes customer washrooms, seating, digital displays, and a spacious waiting area. It is fully accessible with ramps, railings, automatic door openers and accessible washroom facilities. While construction of the new station building is complete, work continues at the parking structure, rail corridor, platforms, parking lot and bus loop area as well as the Rutherford Road underpass.
- On November 30, bids closed on the GO Expansion On-Corridor Works package following a multi-year procurement process. The successful proponent team will be responsible for delivering 15-minute-or-better, all-day service on our core lines. This works package includes implementing overhead electrification, upgrading train control systems, and expanding tracks and structures along the corridors to allow for over 6,000 weekly train trips. Two proponent teams, EnTransit and ONxpress Transportation Partners, have submitted their proposals. Each team brings together international firms with extensive experience building and running frequent electric regional rail networks outside North America with local partners. Infrastructure Ontario and Metrolinx will evaluate the proposals and announce the winning team in Spring 2022. There will be a 24-month development phase after the contract is awarded, where Metrolinx and the successful proponent will work collaboratively on design, early investigations, schedule optimization, and key initial construction work. Construction is expected to start in late 2022 or early 2023.

Subway Projects

- In December, three tunnel boring machines (TBMs) that will dig the tunnels for the Scarborough Subway Extension (SSE) and Eglinton Crosstown West Extension (ECWE) arrived in Ontario from their manufacturer in Germany. Disassembled for transport, the TBM's journey via river barges then ocean-going freighters brought them to the ports of Oshawa and Hamilton, respectively, before they made their way to their launch shaft sites in Scarborough and Etobicoke by truck.
- In December, the procurement process began for two important elements of the ECWE. On December 2, Metrolinx and Infrastructure Ontario issued a Request for Qualifications (RFQ) for the second tunnel contract, starting the search for a team that will design, build, and finance the tunnel that will run between the future Mount Dennis Station and a portal east of Toronto's Jane Street. Meanwhile, on December 10, Metrolinx released a prequalification request to find teams who can design and build the elevated section of the ECWE. The elevated section will be approximately 1.5 kilometres in length, emerging from the aforementioned tunnel just east of Jane Street, running north of Eglinton Avenue West before heading back underground west of Scarlett Road. A Request for Proposals (RFP) for the second tunnel contract and the contract for the elevated section are expected to be released later in 2022.

- On December 14, Metrolinx issued an RFQ for work to prepare Finch Station for major construction of the Yonge North Subway Extension. The RFQ asks interested teams to share their qualifications and construction expertise so they can be included when the bidding process begins later this year. These early works will create the foundation for major construction set to start in 2023.
- After issuing a Request for Proposals last June, in November, Metrolinx awarded the contract for early works at Exhibition Station to Kenaidan Contracting Limited. This marks the first of a series of planned contract awards for the Ontario Line that will begin the construction phase of the project in 2022.

Capital Projects Group Performance Updates

Safety

- The Lost Time Injury Frequency Rate (LTIFR) for Capital Projects Group (CPG) construction decreased to 0.048 for the rolling 12-month period ending December 31, 2021. This rate, the lowest since June 2019, reflects a continued downward trend and remains below Metrolinx's target of 0.100.
- In November, the Capital Projects Safety team focused its quarterly efforts on job safety briefings. These briefings are an effective way of communicating directly with work crews, through interactive discussions, a mutual understanding of the activity scope, the particular and impending hazards associated with the job, method of track protection, and mitigation to enable the safe completion of work. In addition, these briefings give workers a platform to speak up and ask any questions regarding the work activities, type of track protections or hazards/controls.

Financial

A summary of Metrolinx's major capital project incurred costs is shown in Table 1.

Table 1: Program Overview: Incurred Costs to December 31, 2021

	Current Baseline (\$M)	Incurred Costs (\$M)
Light Rail^a and Bus Projects		
Eglinton Crosstown LRT	\$12,571 ^b	\$8,331
Finch West LRT	\$3,433 ^b	\$1,573
Hurontario LRT	\$5,632 ^b	\$1,302
Viva BRT	\$1,882	\$1,827
GO Bus Infrastructure	\$506	\$411
Light Rail and Bus Total	\$24,024^b	\$13,444
GO Expansion Projects		
Early Works	\$10,513	\$5,948
Off Corridor	\$619	\$47
On Corridor	\$15,705 ^c	\$1,440
Core GO Expansion Total	\$26,837^c	\$7,436
GO Extensions	\$1,629	\$77
SmartTrack Stations	\$1,463	\$55
Subway^a Projects		
Subway Total	\$28,500^d	\$1,981

All figures are reported in year-of-expenditure dollars and are not directly comparable with those in other contexts expressed as nominal dollars. These figures reflect overall project budgets rather than the values of each respective project's major contract(s).

^a Initial delivery activities for the Eglinton Crosstown West Extension are being undertaken in coordination with the subway projects and project financial data is reported within that group.

^b Includes long-term P3 financing, lifecycle, operating and maintenance costs over concession term as applicable per each respective Project Agreement.

^c OnCorr contract currently in active procurement; to obtain the best value from bidders, the published baseline does not disclose all elements of the approved budget over concession term as in ^b figures. Baseline will be updated after commercial and financial close.

^d Preliminary construction estimate announced in 2019 Ontario Budget.

Respectfully submitted,

Matt Clark
Chief Capital Officer