

**To: York Region Rapid Transit Corporation Board of Directors**

**From: Mary-Frances Turner, President**

**Subject: YRRTC – 2016 Metrolinx Multi-Year Capital Expenditures Budget**

**Ref: YORK-#6351190**

## Recommendations

It is recommended that:

1. The York Region Rapid Transit Corporation (YRRTC) Board of Directors endorse the 2016 Metrolinx Multi-Year Capital Expenditures Budget of \$792.8 million

## Purpose

- The purpose of this report is to seek the Board's endorsement of the 2016 Metrolinx Multi-Year Capital Expenditures Budget, which has been received and approved by the Executive Committee of the Metrolinx Board of Directors on November 9, 2015

## Background

***The total funded Capital Programs for YRRTC is valued at \$3.2 billion***

- The YRRTC Funded Capital Programs (see Table 1) is being brought forward in two parts:
  - Part One, which is the subject of a separate report on this agenda, seeks the necessary approvals of Regional Council related to the 2016 Regional Multi-Year Capital and Operating Expenditures Budget, which include York Region funded dollars
  - Part Two, which is the subject of this report, seeks the endorsement of the YRRTC Board of Directors related to the 2016 Metrolinx Multi-Year Capital Expenditures Budget, which are 100% Metrolinx funded dollars

- The Regional Capital Program of \$1.4 billion for YRRTC is driven by the shared funding agreements, which York Region entered into with the Provincial and/or Federal governments. York Region's contribution is approximately 42% or \$602.4 million – mainly for the Toronto-York Spadina Subway Extension (TYSSE), which starts from Downsview station and ends at the Vaughan Metropolitan Centre

York Region's contribution includes its additional share of \$60.0 million for the reset of the TYSSE project, i.e. Bechtel's project management fees and the project extension to December 2017 – per the TYSSE report of March 26<sup>th</sup> this year, and approved by Council at an overall cost of \$150.0 million. Additionally, it includes another \$32.0 million, with the Provincial Move Ontario Trust expected to have a revenue shortfall

- The Metrolinx Capital Program – in April 2011, York Region entered into a Master Agreement with Metrolinx to construct approximately 34.6 km of dedicated median bus rapidways for a total value of \$1.755 billion, bringing the total Capital Program to \$1.8 billion which includes design and preliminary engineering

YRRTC is building the rapidways as the project manager for Metrolinx. On completion, asset ownership will transfer to Metrolinx and York Region will become responsible for maintaining and operating the assets

**Table 1**  
**Funded Capital Programs – \$3.2 Billion**

YRRTC Capital Programs (\$Millions)	Regional Program \$\$\$	Metrolinx Program ** \$\$\$	Total Program \$\$\$
BRT Rapidways & Stations	-	1,784.0	1,784.0
BRT Facilities & Terminals	208.9	-	208.9
BRT Rapid Transit Vehicles	46.6	-	46.6
Toronto-York Spadina Subway Extension	1,160.3	-	1,160.3
Yonge North Subway Extension	4.3	-	4.3
Rapid Transit Studies	3.2	-	3.2
<b>Total Capital Programs</b>	<b>1,423.3</b>	<b>1,784.0</b>	<b>3,207.3</b>
<b>Total York Region Funded</b>	<b>\$602.4</b>		<b>\$602.4</b>
<b>Total York Region Funded - %</b>	<b>42.3%</b>		<b>18.8%</b>
<b>Total Metrolinx Funded</b>		<b>1,784.0</b>	<b>\$1,784.0</b>
<b>Total Metrolinx Funded - %</b>		<b>100.0%</b>	<b>55.6%</b>

\* Remaining funding dollars are from the Provincial and Federal governments

\*\* \$1,784.0M for the Metrolinx Program is net of Municipal & Third Party Works, net of H2-DBF Financing Costs & Proceeds from the Disposition of Excess Lands for a total \$190.0M

**Analysis**

**The 2016 Metrolinx Multi-Year Capital Expenditures Budget, i.e. Capital Spending Authority (CSA) is \$792.8 million, of which \$191.8 million will be spent in 2016**

- Table 2 provides the breakdown of the capital dollars for the projects associated with the 2016 Metrolinx Multi-Year Capital Expenditures Budget

**Table 2**

**Metrolinx Capital Program, 2016 Metrolinx Multi-Year Capital Expenditures Budget**

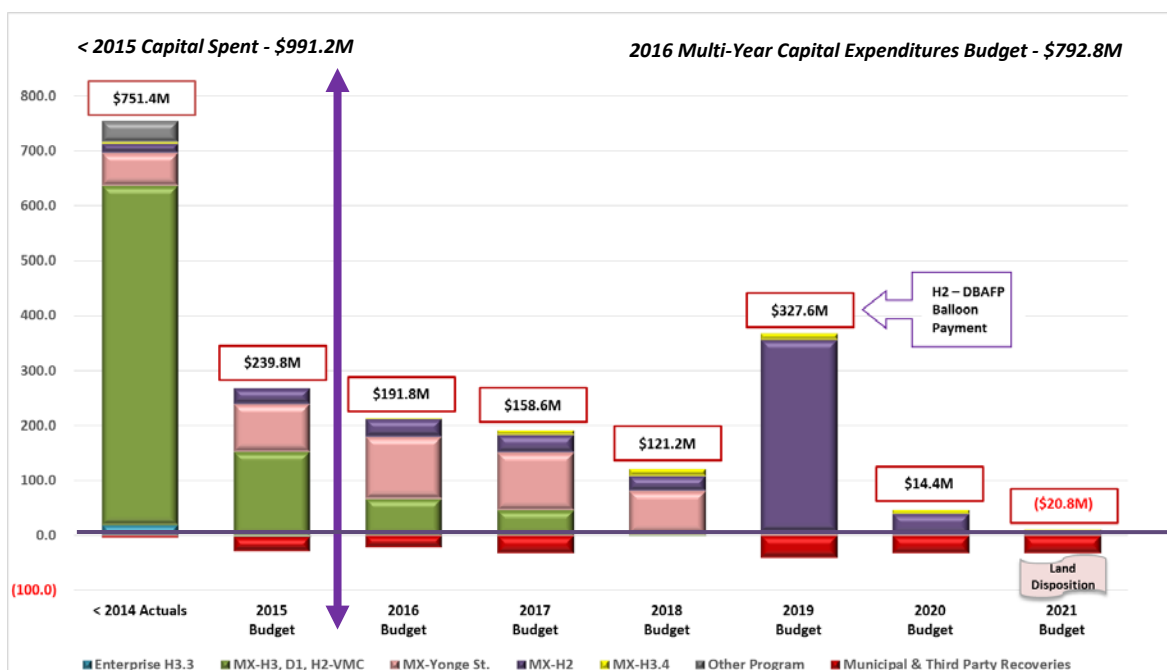
Metrolinx Capital Program (\$Millions)	Metrolinx Program \$\$\$	Financial Projection (Inception to 2015) \$\$\$	2016 & Onwards (CSA)	
			\$\$\$	%
Enterprise Dr.	19.2	19.2	0.0	0.0%
Highway 7 East, Davis Drive, Highway 7 West - VMC	786.6	742.2	44.4	5.6%
Yonge Street	430.2	146.4	283.7	66.0%
Remaining Highway 7 West	462.9	44.6	418.2	90.4%
Remaining Enterprise Dr.	48.0	1.6	46.4	96.6%
Corporate	37.2	37.2	0.0	0.0%
<b>Total Metrolinx Capital Program</b>	<b>\$1,784</b>	<b>\$991.2</b>	<b>\$792.8</b>	<b>44.4%</b>

\* See Appendix A

- Table 3 provides the timing of the capital dollars associated with the 2016 Metrolinx Multi-Year Capital Expenditures Budget – of which \$191.8 million is for 2016

**Table 3**

**Metrolinx Capital Program, 2016 Metrolinx Multi-Year Capital Expenditures Budget**



***The 2016 Metrolinx Multi-Year Capital Expenditures Budget of \$792.8 million reflects the remaining following key BRT projects:***

- **Davis Drive (D1)** – the rapidway is 2.6 km from Yonge Street to Highway 404
  - Rapidway to be in service by December 2015
  - Project completion includes the delivery of various Municipal and Third Party infrastructure works:
    - York Region – upgrades to storm sewers, replacement of the Eastern Creek culvert, installation of fibre optics and traffic signal uninterrupted power supply
    - Town of Newmarket – replacement of watermain
    - GO Rail – platform modification
    - Joint Utilities Duct Bank for Telecoms
  - Project budget includes proceeds from disposition of excess lands
  
- **Highway 7 West, Vaughan Metropolitan Centre (H2-VMC)** – the rapidway is 3.6 km from east of Highway 400 to east of Bowes Road
  - East of Jane St. – rapidway segment available for service in Fall 2016
  - VMC canopy at VMC subway station – coordinated to be in service with the opening of Toronto-York Spadina Subway Extension (TYSSE), which is by Year-End 2017
  - Project completion includes the delivery of various Municipal and Third Party infrastructure works:
    - York Region – upgrades to storm sewers, 30-year long life asphalt paving, installation of fibre optics and bike boxes
    - City of Vaughan – streetscape changes
  
- **Yonge Street, Richmond Hill Centre to Major Mackenzie Drive (Y2.1); Levendale Road to 19<sup>th</sup> Avenue / Gamble Road (Y2.2); and Mulock Drive to Davis Drive (Y3.2)** – the combined rapidway is 8.9 km
  - Rapidway to be in service by December 2018
  - Project completion includes the delivery of various Municipal & Third Party infrastructure works:
    - York Region – installation of fibre optics, raised bike lanes and in-curb bike boxes
    - Town of Richmond Hill – replacement of watermain
  
- **Remaining Highway 7 West (H2 East and H2 West)** – the rapidway is 12.6 km from Richmond Hill Centre to Pine Valley Drive
  - Rapidway to be in service by November 2019
  - Project follows a Design-Build-Finance AFP model with contract awarded to EDCO this past September
  - Project completion includes the delivery of various Municipal & Third Party infrastructure works:
    - York Region – reconfiguration of the Hwy. 400 ramp, replacement of the Bathurst St. watermain, replacement of storm sewers, installation of fibre optics, bike boxes and traffic signal uninterrupted power supply

- City of Vaughan – replacement of the Centre St. watermain and streetscape enhancements
- MTO – rehabilitation of Hwy. 7-Hwy. 400 bridge
- **Enterprise Drive (H3.4)** – the rapidway is 0.9 km from Birchmount Road to just east side of Kennedy Road
  - Project currently under review and considerations being given to the impact Regional Express Rail program may have on the Unionville GO Station – being captured through a study with City of Markham and Metrolinx

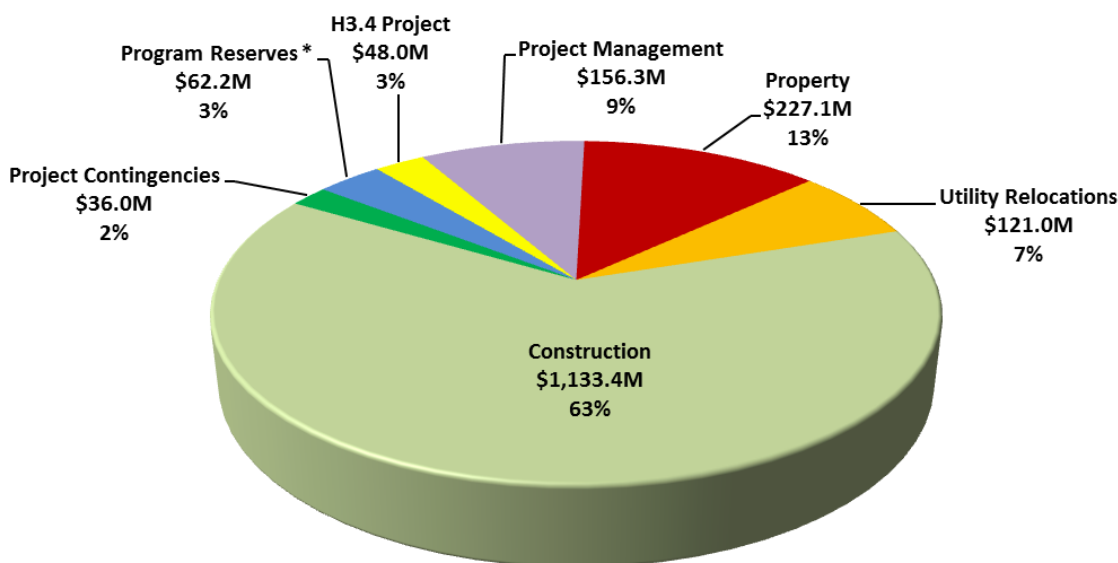
## Financial Implications

***The 2016 Metrolinx Multi-Year Capital Expenditures Budget of \$792.8 million is fully funded by Metrolinx***

- The Metrolinx Capital Budget includes:
  - Property and Property Related matters
  - Construction
  - Utility Relocations
  - Project Management
  - Program Reserves & Project Contingencies
- Table 4 illustrates the breakdown of the 2016 Metrolinx Multi-Year Capital Expenditures Budget of \$1.8 billion

**Table 4**

### **2016 Metrolinx Multi-Year Capital Expenditures - Breakdown of the \$1.8 billion**



\* Program Reserves include \$25.0M from reimbursements/recoveries for property-related costs

- York Region does not “cash-flow” any of the capital expenditures for the \$1.8 billion program as Metrolinx advances the cash requirements on a quarterly basis
- The Executive Committee of the Metrolinx Board of Directors has received and approved the 2016 Multi-Year Capital Expenditures Budget at its meeting of November 9, 2015
- The Metrolinx Capital Program is on track for completion by end of 2021, and is projected to be within the budget of \$1.8 billion

## Conclusion

- This report seeks the endorsement of the Board of Directors for the 2016 Metrolinx Multi-Year Capital Expenditures Budget

For more information on this report, please contact Michael Cheong, Chief Financial Officer, York Region Rapid Transit Corporation at 905-886-6767, Ext. 71015.

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Mary-Frances Turner  
President

November 19, 2015

## Appendix A – vivaNext Rapid Transit Projects

