

Clause 19 in Report No. 11 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on June 23, 2016.

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Delegation of Authority to
York Region Rapid Transit Corporation

Committee of the Whole recommends adoption of the following recommendations contained in the report dated June 8, 2016 from the Chief Administrative Officer:

1. Council authorize York Region Rapid Transit Corporation to undertake all project management activities to execute all agreements, arrangements and memoranda of understanding (including amendments thereto) related to the following funded rapid transit projects: (i) SmartREIT Terminal - Vaughan Metropolitan Centre (VMC), (ii) Millway Avenue, and (iii) the Cornell Bus Terminal on the Region's behalf, including without limitation, managing the completion of design and engineering work, securing site plan approvals, undertaking required procurement processes and awarding and executing the contracts, administering the contracts, and such other steps necessary or ancillary thereto.
2. Council authorize York Region Rapid Transit Corporation, subject to applicable legislation, where required to undertake these project management activities, to act as the Region's duly authorized agent, including executing all agreements for such purposes on the Region's behalf.

Report dated June 8, 2016 from the Chief Administrative Officer now follows:

1. Recommendations

It is recommended that:

1. Council authorize York Region Rapid Transit Corporation to undertake all project management activities to execute all agreements, arrangements and memoranda of understanding (including amendments thereto) related to the following funded rapid transit projects: (i) SmartREIT Terminal - Vaughan Metropolitan Centre (VMC), (ii) Millway Avenue, and (iii) the Cornell Bus Terminal on the Region's behalf, including without limitation, managing the completion of design and engineering work, securing site

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plan approvals, undertaking required procurement processes and awarding and executing the contracts, administering the contracts, and such other steps necessary or ancillary thereto.

2. Council authorize York Region Rapid Transit Corporation, subject to applicable legislation, where required to undertake these project management activities, to act as the Region's duly authorized agent, including executing all agreements for such purposes on the Region's behalf.

2. Purpose

The purpose of this report is to authorize the York Region Rapid Transit Corporation (YRRTC) to undertake project management activities to execute all agreements (including amendments thereto), related to the construction arrangements and memoranda of understanding related to the construction of certain funded rapid transit projects and to authorize YRRTC, when it does not have the legal authority to do so in its own capacity, to act as the Region's authorized agent in respect of these activities.

3. Background

Region and YRRTC have agreed upon their respective responsibilities for delivering projects in respect of the rapid transit system

Under the Rapid Transit Agreement between the Region and YRRTC dated as of September 10, 2009, YRRTC undertook the responsibility for project managing the implementation of the Region's rapid transit projects. To carry out this responsibility YRRTC staff have sought various authorizations from its Board of Directors from time to time as required.

YRRTC must secure Regional Council's approval before YRRTC can undertake certain activities

In addition to securing any necessary approvals from their Board of Directors, YRRTC may also require Regional Council approval before it can undertake certain work. Regional Council must approve YRRTC's annual operating plan and budget. YRRTC cannot move forward with unfunded capital projects without the Region's approval. YRRTC's operating costs associated with delivery of capital projects must be included in the annual budget approved by the Region.

From 2009 YRRTC's work program has been associated with the design and construction of the vivaNext bus rapid transit projects

YRRTC's work program at the current time is focused upon the vivaNext bus rapid transit program funded by Metrolinx pursuant to the Master Agreement between the Region, YRRTC and Metrolinx dated October 1, 2009.

YRRTC's work program overlaps with Region's Transportation Services Department projects

In certain cases YRRTC's work program in relation to the vivaNext program overlaps with work that may fall under work programs of Transportation Services department and/or York Region Transit. For example, all three organizations have various work programs regarding the Toronto-York Spadina Subway Extension (TYSSE) project. Coordination between Transportation Services department, York Region Transit and YRRTC is critical to the successful delivery of these facilities. There is a need in these situations to clarify the respective roles and responsibilities of each organization and for the Region to formally authorize YRRTC to undertake activities on the Region's behalf and as its duly authorized agent.

4. Analysis and Options

YRRTC to project manage the completion of design of SmartREIT Terminal - Vaughan Metropolitan Centre (VMC) and to tender for construction

YRRTC is responsible for the completion of the design and construction of the SmartREIT Terminal - VMC to be located on the northwest corner of Apple Mill Road and Millway Avenue in the City of Vaughan. There will be a direct access to the underground pedestrian concourse that links to the TYSSE and vivaNext rapidway on Highway 7. In 2015, SmartREIT procured Diamond Schmitt Architects Incorporated (DSAI) to prepare the concept design of this bus terminal.

In 2015, YRRTC managed presentations of the schematic design to the City of Vaughan's Design Review Panel Committee and the City of Vaughan's VMC Sub-Committee.

YRRTC's work program for which it is seeking the Region's authorization may include but not be limited to:

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- Completion of 100% design with cost estimates
- Securing site plan approvals from the City of Vaughan
- Undertaking required procurement processes and issuing procurement documents, including the tender for construction
- Awarding, executing and administering the contracts for construction of the terminal
- Conducting value engineering exercises, as required

TYSSE alignment at VMC requires Millway Avenue in Vaughan to be relocated

Millway Avenue is owned by the City of Vaughan. The subway's alignment means that Millway Avenue has to be relocated. YRRTC has been managing the coordination of design and engineering for Millway Avenue with the City of Vaughan.

YRRTC's work program on the TYSSE project and the SmartREIT VMC bus terminal make YRRTC ideally suited to manage the construction of Millway Avenue. Since the construction of Millway Avenue will need to be coordinated with the SmartREIT Terminal - VMC project, YRRTC is seeking authority from the Region to lead this project. The City of Vaughan will be funding the design and construction work.

YRRTC's work program for which it is seeking the Region's authorization may include but not be limited to:

- Coordination with the City of Vaughan regarding the ultimate design and engineering of Millway Avenue
- Undertaking required procurement processes and issuing procurement documents, including the design and engineering and construction contracts on behalf of the City of Vaughan
- Awarding, executing and administering the contracts on behalf of the City of Vaughan
- Completing cost estimates
- Conducting value engineering exercises, as required
- Execution of all agreements in particular the work reallocation agreement between all parties (TTC, YRRTC., City of Vaughan and SmartREIT)

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The design and construction of the Cornell Bus Terminal in the City of Markham to proceed

The Cornell Bus Terminal is to be constructed on Regionally-owned lands at Highway 7 East and Ninth Line in the City of Markham. This eleven bus bay terminal will connect Viva service to the Markham local YRT transit routes, as well as future connections with Durham Transit, GO Transit and 407 bus services. YRRTC led the dialogue with third party landowners leading to the identification and purchase of the bus terminal lands.

YRRTC's work program for which it is seeking the Region's authorization may include but not be limited to:

- Completion of design and engineering for the bus terminal
- Undertaking design consultation process with stakeholders
- Undertaking required procurement processes and issuing procurement documents, including the tender for construction
- Securing site plan approvals
- Awarding, executing and administering the contracts for construction of the terminal

The Region may need to be a party to various legal agreements even though YRRTC is managing the work

Where YRRTC has the legal ability to enter into contracts for the purposes of carrying out the project management activities set out in this report, YRRTC should do so. At the current time YRRTC's Articles of Incorporation limit its ability to own land. In such cases the Region will continue to be the party to land-related agreements. Property Services will continue to provide real estate negotiation and land related expertise (i.e. appraisals) for all land acquisitions.

The Region holds title to all lands acquired for the rapid transit projects. Generally the contractor will require the Region to be a party to the construction contract to ensure the landowner is consenting to the work and also will require certain covenants from the Region as owner.

The Region has the right to authorize YRRTC to execute agreements and enter into arrangements and/or memoranda of understanding on the Region's behalf

To reduce the number of dual reports to the YRRTC Board of Directors and to Regional Council, it is recommended that the Region authorize YRRTC to

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execute as authorized agent for the Region, where the Region is required to be a signatory, subject to two conditions:

- (1) That the agreement is satisfactory to Legal Services; and
- (2) That YRRTC's Chief Financial Officer confirms that there are sufficient funds for the transaction to which the agreement relates in YRRTC's Annual Capital and Operating Plan and Budget.

Link to key Council-approved plans

This report supports Vision 2051 goals and carries out the objective in the Transportation Master Plan of providing transit services throughout York Region.

5. Financial Implications

All projects in this report are included in YRRTC's current budget. The funding allocation for each project, as approved in YRRTC's 2016 Capital Spending Authority (CSA), for each project is set forth in Table 1.

**Table 1
Funding for Projects**

\$Millions	Facilities & Terminals	2016 CSA APPROVED				City of Vaughan ⁴
		Federal ¹	Provincial	Regional ²	Others ³	
Cornell Terminal*	\$31.8	51%	30%	15%	4%	
SmartReit Terminal VMC	\$32.1	22%	56%	17%	5%	
SmartReit Terminal VMC - Millway Ave.	\$9.0					100%
Total Project Cost	\$72.9	32%	38%	14%	4%	12%

¹ Federal includes funds from Transport Canada and Federal Gas Tax

² Includes York Region Transportation funding. It should be noted that Federal Gas Tax Reserve funding is reported under Federal although it forms part of the Region's contribution

³ Includes funding from SmartReit and York Region Transportation and Others

⁴ Included in the 2017 CSA and 2016 Capital Plan as discussions continue with City of Vaughan. Not included in the 2016 CSA Approval.

* Cornell Construction is cost shared 50/50 with Transport Canada and York Region

6. Local Municipal Impact

Constructing new facilities for the viva and YRT transit services in the Cities of Vaughan and Markham will benefit these local municipalities by providing more transportation options to residents.

7. Conclusion

Enabling YRRTC to execute all agreements for the project management activities outlined in this report either in its own name or as authorized agent for the Region will reflect the current accountability of YRRTC for the delivery of the rapid transit projects and will streamline reporting to the YRRTC Board and to Regional Council.

For more information on this report, please contact Janis Ingram, Senior Counsel at ext. 71045.

The Senior Management Group has reviewed this report.

Approved for Submission:

Bruce Macgregor
Chief Administrative Officer

June 8, 2016

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Accessible formats or communication supports are available upon request