

To: York Region Rapid Transit Corporation Board of Directors

From: Mary-Frances Turner, President

Subject: Project Status Quarterly – Q3 & Q4 2015

Ref: YORK-#6483056

Recommendation

It is recommended that:

1. The attached Project Status Quarterly – Q3 & Q4 2015 report from the Chief Financial Officer be received for information.

Purpose

The purpose of this report is to provide a project activity and financial update to the Board. The Project Status Quarterly – Q3 & Q4 2015 report is attached, and reflects activities up to December 31, 2015.

Project Highlights

Bus Rapidways & Stations (BRT) Program (refer to Appendix A)

The Davis Drive BRT segment in the Town of Newmarket is now in service – adding another 2.6 km of completed rapidways and bringing the total to 8.6 km or 25% of the program at the end of 2015

- Davis Drive (D1), from Yonge St. to Highway 404. (2.6 km) – in service as of December
 - In support of the rapidway going in service, the new Park ‘n’ Ride facility at Davis Dr. & Hwy. 404 is also live – project led by GO Transit, with a cost-sharing arrangement with YRRTC’s BRT Program
 - Major infrastructure works completed for the Region, Town of Newmarket and Telecom Companies (Rogers & Bell) – e.g. upgrades to storm sewers, sanitary sewers and watermains; joint utility duct banks for telecoms

- Highway 7 West (H2-VMC), from Bowes Rd. to Edgeley Blvd. – (3.6 km)
 - East of Jane St. – construction works progressing, with to-date construction at 60% completion and rapidway segment available for service in Fall 2016
 - Utility relocations for hydro and gas completed – telecom is complete east of Jane St.
 - Widening of CN MacMillan bridge completed
 - Majority of Highway 7 road widening is complete; road works to be completed in 2016
 - Vivastation canopies, including glass, installed at Keele St. & Creditstone Rd.
 - West of Jane St. – construction works ongoing – to be completed in Fall 2016
 - Utility relocations for gas, hydro and telecom nearing completion
 - Widening of road on the south side of Hwy. 7 completed
 - VMC Canopy at Jane St. – fabrication of the structure continues and north side paving completed; this last segment still projected to open in sync with the opening of the subway in December 2017
- Yonge Street (Y2.1, Y2.2, & Y3.2) – (8.9 km)
 - 100% design packages submitted by the Design-Build Constructor, RapidLINK and currently under review – this has allowed for some utility relocations work to start
 - Enbridge utility relocations progressing in Y3.2, from Savage Rd. to Mulock Dr. – to be followed by Rogers, Bell and Newmarket-Tay Hydro
 - Utility Companies finalizing their designs for Y2.1, from Hwy. 7 to Major Mackenzie Dr. and Y2.2, from Levendale Rd. to 19th Ave./Gamble Rd. – relocations to start in early 2016
 - To-date construction at 15% completion – construction of underground infrastructure and retaining walls underway at Y3.2
 - Rapidway segments projected to be in service by December 2018
- Highway 7 West (H2-East & H2-West), from Yonge St. to Bowes Road and Edgeley Blvd. to Helen St. (approximately 12.0 km)
 - Detailed design activities and preliminary field investigations underway by the Design-Build-Finance Constructor, EDCO who was awarded the contract in September 2015
 - Rapidway segments projected to be in service by December 2019
- BRT program is fully funded by the Province of Ontario and represents a total transportation infrastructure investment of \$1.755 billion in the Regional Municipality of York – part of Metrolinx’s *‘The Big Move’* first wave of projects announcement

Facilities and Terminals Program

Canada Strategic Infrastructure Fund (CSIF) Program is progressing with the design of the Cornell Terminal – an 11-bay bus terminal in the City of Markham

- Procurement activities for the design & engineering services of the Cornell Terminal completed and contract awarded in December 2015
 - Construction targeted to commence in late Summer-Early Fall 2016, and completion expected by December 2017

Implementation of the integrated SmartREIT- VMC Terminal and Park n' Ride facilities in support of the YRT/Viva-BRT network is underway

- Highway 7 West (H2-VMC) – Design and construction activities advancing for the SmartREIT-Vaughan Metropolitan Centre (VMC) Terminal – a 9-bay bus terminal located at VMC Subway Station
 - Concept Design completed
 - Preliminary Design progressing
 - Construction targeted to commence in late Summer-Early Fall 2016, and completion timeline to be staged with the opening of the subway
- Highway 7 East (H3) – procurement activities for the design and engineering of the on-surface Park n' Ride parking facility at the Warden Jug Handle, which is located at Warden Ave. and Enterprise Dr., in progress
 - Investigation underway for the market sounding activities in support of the identification of ultimate design direction for this property
- Davis Drive (D1) – construction of this Park n' Ride facility which is located at Davis Drive and Hwy. 404 completed and in service in November
 - Project delivered by GO Transit, the owner of the facility – an access and operating agreement for York Region Transit in the works

Toronto-York Spadina Subway Extension Program

Construction of the TYSSE on-going and with the project reset, subway to be in service by December 31, 2017

- As approved by Council in April 2015, the Regional Municipality of York increased its original TYSSE contribution commitment of \$351.6 million by \$60.0 million, which reflects 40.04% of the required additional funding of \$150.0 million and is per the TYSSE Contribution Agreement
- An additional \$32 million has been approved for the MOT Revenue Interest shortfall
 - TYSSE contribution commitment is now \$443.6 million for the Regional Municipality of York and cost-to-date is \$296.0 million as at end of December – this excludes the Capacity Buy-In and Viva Concourse at VMC

- Construction of the Subway Stations progressing – 3 of which are in York Region: Black Creek Pioneer Village, Highway 407 and VMC
- Viva Pedestrian Concourse – underground connection from the YRT/Viva-BRT network to the subway at VMC progressing – with to-date completion at over 50%

Rapid Transit Future Initiatives

York Region continues to advance discussions to proceed to 15% preliminary design and engineering of the Yonge North Subway Extension (YNSE) from Finch Station to the Richmond Hill Centre Terminal

- In June, the Metrolinx Yonge Relief Network Study (YRNS) was completed and findings were reported to the Metrolinx Board
- As part of the recommendations of the Metrolinx YRNS, the Metrolinx Board directed staff to work in consultation with the Regional Municipality of York, the City of Toronto and the TTC to advance the project development of the Yonge North Subway Extension to 15% preliminary design and engineering

Regional Express Rail (RER) Service enhancements will provide more frequent and convenient travel options for residents and commuters

- Staff from York Region, YRRTC and Metrolinx continue to collaborate on many components of the Province's RER program, including participating in technical advisory meetings and new stations analysis discussions

Financial & Procurement Highlights

At the end of the fourth quarter, net Capital Expenditures in Year 2015 are at \$448.9 million – of which the Region’s contribution is \$85.8 million (Table 1)

- Regional Capital Program – net Capital Expenditures for the TYSSE and Facilities & Terminals projects are \$248.3 million, driven by:
 - TYSSE construction of \$225.9M or 91% of the net Capital Expenditures, includes the project reset dollars to meet the “in-service” timeline of December 2017 – heavier monthly “burn-rate” spending in the second half of the year
 - Net Capital Expenditures of \$17.9M for the Facilities & Terminals projects are primarily for the construction activities for the “now-in-service” OMSF and the procurement activities to award the Design and Engineering contract for Cornell Terminal

- Metrolinx Capital Program – net Capital Expenditures for the BRT-Rapidways & Stations projects are \$200.6 million, driven by:
 - Construction activities along the Highway 7 West-Vaughan Metropolitan Centre (H2-VMC) and the “now-in-service” Davis Drive (D1)
 - Detailed Design activities and Land-Related Matters along Yonge Street
 - Procurement activities and Land-Related Matters along the remaining Highway 7 West (H2-East & H2-West)
 - Additionally, recoveries of \$32.0M for Municipal & Third Party Works for the rapidways now in service, i.e. Highway 7 East (H3) and Davis Drive (D1) help offset the Capital Expenditures in the second half of the year
 - York Region, Town of Richmond Hill and City of Markham
 - Utility Companies

Table 1 – YRRTC Net Capital Expenditures, Year 2015

Capital Expenditures (\$Millions)	Regional Program (YTD) \$	Metrolinx Program (YTD) \$	Inception-To- Date \$	Funding \$
BRT Rapidways & Stations *		200.6	912.0	1,783.6
BRT Facilities & Terminals	17.9		146.0	208.8
BRT Vehicles	0.0		46.6	46.6
Spadina Subway Ext.	230.1		914.4	1,160.3
Construction	225.9		886.9	1,114.0
Viva Concourse	3.9		7.0	14.0
Capacity Buy-In & Other	0.4		20.5	32.4
Yonge North Subway Ext.	0.2		4.0	4.3
Rapidway Studies	0.1		2.1	3.2
Total Capital	\$248.3	\$200.6	\$2,025.2	\$3,206.9
Total Regional Funded	\$85.8		\$404.0	\$602.4

* Financials are net of Municipal & 3rd Party Recoveries

At the end of the fourth quarter, Gross Operating Expenditures and Net Operating Expenditures are \$34.1 million and \$9.2 million respectively (Table 2) – in line with the Operating Expenditures Budget

- Net Operating Expenditures of \$9.2M reflect:
 - Operating Recoveries of \$12.3 million for the delivery of the Metrolinx and Regional Capital Programs – offsetting YRRTC and York Region Staff and Administration Costs, including the office leases at 3601 Highway 7 East in the City of Markham
 - Revenues of \$12.6 million from Development Charges and Federal Gas Tax Revenues – offsetting the Financing Costs of \$19.7 million, which include Debt Principal and Interest Payments
 - Consulting Services for new rapid transit initiatives, e.g. YNSE and RER Program

Table 2 – YRRTC Operating Expenditures, Year 2015

Operating Expenditures (\$ Millions)	Total Operating Expenditures \$	Regional Operating Expenditures \$	Metrolinx Operating Expenditures \$
YRRTC Staff & Administration.	10.1	2.5	7.6
York Region Staff & Administration	4.3	0.2	4.1
Financing Costs	19.7	19.7	0.0
Gross Operating	34.1	22.4	11.7
Capital Recoveries	(12.3)	(0.5)	(11.7)
Revenues	(12.6)	(12.6)	0.0
Net Operating - Tax Levy	9.2	9.2	0.0

At end of the fourth quarter, with the Design-Build-Finance (DBF) contract award for the remaining Highway 7 West (H2 East & West), approximately 91% of the \$1.8 billion funding for the Metrolinx Capital Program – BRT Projects is now committed

- \$40.5M in contract awards and increases in the second half of the year – driven by the Construction activities for Davis Drive (D1) and Utility Relocations activities for Yonge Street (Y2.1, Y2.2 & Y3.2)

At end of the fourth quarter, 94% of the \$1.4 billion funding for the Regional Capital Program is now committed

- \$62.4M of contract awards and increases for the Regional Capital Program – driven by the contract increase to TYSSE Construction and Cornell Terminal's design & engineering services contract award to HDR Corporation

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

Mary-Frances Turner, YRRTC President

March 10, 2016
Attachment: (1)

Appendix A

YRRTC Capital Projects

