

To: York Region Rapid Transit Corporation Board of Directors

From: Mary-Frances Turner, President

Subject: YRRTC – Metrolinx Capital Plan and Capital & Operating Budget Approval

Ref: YORK-#3893505

Recommendations

It is recommended that:

1. The York Region Rapid Transit Corporation (YRRTC) Board of Directors consider the Metrolinx Capital Plan of \$1.82 billion, and endorse the 2012 Metrolinx Capital Budget of \$215.7 million for YRRTC.
2. The York Region Rapid Transit Corporation (YRRTC) Board of Directors endorse the 2012 Metrolinx Operating Expenditures Budget of \$8.2 million for YRRTC, which includes the 14 additional staff and expenses needed for the delivery of the above noted Capital Budget – all Operating Expenditures are fully recoverable and do not have any financial implications for York Region.

Purpose

- The purpose of this report is to provide a summary of the Metrolinx Capital Plan for consideration and endorse the associated Metrolinx 2012 Capital and Operating Expenditures Budget for YRRTC.

Background

The total Capital Plan for YRRTC is valued at \$3.2 billion

- The YRRTC Capital Plan and Capital & Operating Expenditures Budget for 2012 are 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 2012 Capital & Operating expenditures which include regional funded dollars.
 - Part Two, which is the subject of this report, seeks the endorsement of the YRRTC Board of Directors related to the 2012 Capital & Operating expenditures for Metrolinx funded dollars.
- In April 2011, York Region entered into a Master Agreement with Metrolinx to deliver a \$1.76 billion capital program, bringing the total Metrolinx program - not requiring any funding from York Region - to \$1.82 billion.

Total YRRTC Capital Programs		Regional Funded \$\$\$	Metrolinx Funded \$\$\$	Total Funded \$\$\$
90991	BRT Rapidways & Stations	-	1,786.55	1,786.55
90992	BRT Facilities & Terminals	131.80	22.34	154.14
90993	BRT Vehicles	44.20	13.72	57.92
90994	Future BRT	1.08	-	1.08
90995	Future LRT	1.25	-	1.25
90996	Spadina Subway Extension	1,084.70	-	1,084.70
90997	Yonge Subway Extension	78.55	-	78.55
90999	Rapid Transit Strategic Initiatives	31.09	-	31.09
Total Capital (\$ millions)		1,372.67	1,822.60	3,195.27

Analysis

The Metrolinx Capital Plan of \$1.82 billion is fully funded by the Province – and completion of the programs is projected to be by end of 2020. The 2012 Metrolinx Capital Budget for YRRTC is \$215.7 million compared to \$131.7 million in the previous year

- It is primarily comprised of the following:
 - On-going construction on Highway 7 from Richmond Hill Centre to Warden (H3) - \$122.5 million.
 - On-going construction on Davis Drive from Yonge Street to Highway 404 (D1) - \$56.6 million.
 - Work preparation for the remaining corridors - \$36.6 million.
 - Highway 7 - east of Highway 400 to east of Bowes Road (H2 VMC-Vaughan Metropolitan Centre). Cost Confidence process starts in early December 2011.
 - Yonge Street - from Richmond Hill Centre to Major Mackenzie Avenue (Y2.1).
 - Highway 7 - west of Richmond Hill Centre to Pine Valley Drive (H2).
 - Yonge Street - from Richmond Hill Centre to 19th Avenue (Y2.2).
 - Yonge Street - from south of Mulock Drive to Davis Drive (Y3.2).

With 2012 and 2013 as the largest Capital expenditures for the Metrolinx program, the 2012 Operating Budget is built to support the delivery of the 3 Rapid Transit corridors that are or soon-to-be under construction – H3, D1 and H2 VMC

- The 2012 Operating Budget is \$8.2 million, which includes the 14 additional staff and expenses needed for the delivery of the above noted Capital Budget – all Operating Expenditures are fully recoverable and do not have any financial implications for York Region.

Financial Implications

- Approval from Metrolinx for the 2012 Capital & Operating Expenditures Budget is already in place with the execution of the Master Agreement in April of this year.
 - The 2012 Metrolinx Capital Budget is \$215.7 million.
 - The 2012 Metrolinx Operating Expenditures Budget is \$8.2 million and fully recoverable.
- York Region does not “cash-flow” the expenses of the Metrolinx program of \$1.82 billion as Metrolinx advances the cash requirements on a semi-annual basis. The next cash advance will be received shortly as the cash flow for 2012 has been forwarded to Metrolinx.

Conclusion

- This report seeks the endorsement of the Board of Directors to proceed with the 2012 Metrolinx Capital & Operating Expenditures Budget for YRRTC.

For more information on this report, please contact Michael Cheong, Chief Financial Officer, York Region Rapid Transit Corporation at 905-886-6767, Ext. 1015.

Mary-Frances Turner
President

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