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YORK REGION RAPID TRANSIT CORPORATION / METROLINX / YORK REGION MASTER AGREEMENT DRAFT OPERATING PRINCIPLES

The Transportation Services Committee recommends:

1. **Receipt of the presentation by Paul Jankowski, General Manager, Transportation Services, Roads; and**

2. **Adoption of the recommendation contained in the following report dated January 25, 2011, from the Commissioner of Transportation Services.**

1. RECOMMENDATION

It is recommended that this report be received for information.

2. PURPOSE

This report presents the draft Operating Principles for the on-going asset management and operation of the Rapidways, the Region's Viva service and the affected Regional roads. They will form the basis for the detailed negotiation of a future Operating Agreement between Metrolinx and York Region. The Operating Principles will be documented in a Schedule to the Master Agreement which sets out the business framework among York Region Rapid Transit Corporation (YRRTC), the Region and Metrolinx in the delivery of the segments of the rapid transit projects underway.

The Master Agreement will be considered at the February 3, 2011 meeting of the Finance and Administration Committee, and the February 3, 2011 meeting of the York Region Rapid Transit Corporation Board of Directors.

3. BACKGROUND

Regional Staff have been working together with YRRTC staff on the VivaNext Rapid Transit Design-Build Projects comprising the segments of the rapid transit network now underway

Since 2009, York Region Transportation Services staff has been working with YRRTC staff to ensure the rapid transit projects now being implemented by YRRTC in the Highway 7, Yonge Street and Davis Drive corridors, are effectively coordinated with existing and future initiatives and operation of roads, traffic and YRT/Viva service in these key Regional transportation corridors.

The VivaNext projects now being implemented are the Highway 7 (H3) design-build project between Yonge Street and Warden Avenue, and the Davis Drive (D1) Early Works design-build project between Yonge Street and the Southlake Regional Health Centre. Both of these projects are now in the initial stages of construction. They are among the rapid transit design-build projects that comprise the projects known as the "green bundle". The other projects in this bundle are Yonge Street (Y2) from Richmond Hill Centre to Major Mackenzie Drive, Highway 7 in the vicinity of the Vaughan Metropolitan Centre, and Yonge Street from Mulock Drive to Davis Drive. A location sketch is appended to this report (*see Attachment 1*).

The funding for these design-build projects is being provided under a 2009 Memorandum of Agreement with Metrolinx

In October 2009, the Region, YRRTC and Metrolinx entered into an interim funding agreement, the Memorandum of Agreement (MOA), under which Metrolinx is funding the implementation of two of the four design-build projects currently in construction.

The 2009 Memorandum of Agreement will be superseded by a new Master Agreement with Metrolinx

The 2009 Memorandum of Agreement expires on March 31, 2011. All the parties have agreed the Memorandum of Agreement will be superseded by a new tri-party Master Agreement to be dated and effective April 1, 2011.

The Master Agreement is intended to be the framework agreement establishing the roles and responsibilities of YRRTC, the Region and Metrolinx in respect of the delivery of the green bundle of rapid transit projects.

Since June 2010 YRRTC and Regional staff have been working with Metrolinx to finalize the Master Agreement and the schedules to it

Through discussions among the three parties, it has been proposed the Master Agreement would contain a number of schedules to set forth the administrative protocols and principles governing the relationship of the parties on a go-forward basis. The material schedules to the Master Agreement are:

- Procurement Protocol
- Real Estate Protocol
- Operating Principles
- Communications Protocol
- Capital Cost Eligibility Criteria

- Administrative Protocol

This is a companion report to a report seeking authority for the Region to enter into the Master Agreement which is being presented to the Regional Finance and Administration Committee on February 3, 2011

At its meeting of February 3, 2011, the Finance and Administration Committee will be presented with a report of the Chief Administrative Officer, addressing all substantive Regional terms and provisions of the Master Agreement and seeking Regional Council authorization to execute the agreement.

Similarly, a report from the President of YRRTC, addressing all aspects of the YRRTC role in the implementation of the project(s) from April 1, 2011 onward, will be presented to the February 3, 2011 meeting of the YRRTC Board of Directors for information.

This report of the Commissioner of Transportation Services is complementary to the CAO's and specifically addresses the proposed principles which will govern the roles and responsibilities of Metrolinx and the Region respecting the asset management and operation and maintenance of the rapid transit system and the adjoining Regional roads. These Operating Principles will be documented in Schedule J to the Master Agreement. Under the terms of the Master Agreement, these proposed Operating Principles are to form the basis of a final Operating Agreement to be negotiated between the Region and Metrolinx, and to be executed before the completion of the commissioning phase of the first project, anticipated in fall 2013. A draft of Schedule J is appended as *Attachment 2*.

Metrolinx Board approval is scheduled for February 18, 2011

Metrolinx staff has advised us that they will seek approval from the Metrolinx Board to enter into the Master Agreement at its Board meeting scheduled for February 18, 2011.

4. ANALYSIS AND OPTIONS

Much of the rapid transit infrastructure is to be constructed within an easement to be granted by the Region to the Province of Ontario, in the median of Yonge Street, Highway 7 and Davis Drive

Within the Highway 7 and Davis Drive rapid transit projects, and on future Highway 7 and Yonge Street segments, much of the new infrastructure consists of dedicated bus running ways and stations being constructed in the middle of the Regional roads. In order to secure the provincial funding for these projects, the Province has requested transfer of easements over and through these lands in the middle of these Regional roads back to the Metrolinx, its successors and assigns. The easement is for the purpose of constructing, repairing, replacing, extending, operating and maintaining Metrolinx's present and future rapid transit infrastructure. This arrangement is needed to fulfil accounting principles which require the Province to control the assets they are funding at 100%.

The net effect of this easement request will be that the Region will own and operate roadway segments (unencumbered) on either side of a ribbon of land over which an easement will be granted to Metrolinx on behalf of the Province of Ontario. This situation is complicated by the fact the Region owns and operates all road intersections along the Regional roads, and the rapidways will be crossing all such intersections.

There are six guiding principles to be set out in the Master Agreement to provide clarity around operating and maintenance obligations

1. The Region will be responsible for all decision-making, funding, and delivery of day-to-day operation and routine maintenance in the joint road/transitway corridors

As the Region will continue to own and operate the Regional road segments on either side of these ribbon easements in the middle of the roads, and as the Viva service operating within the rapid transit infrastructure in these easements remains a Regional transit operation, Regional staff have proposed to assume all responsibility for the day-to-day operation and routine maintenance within the road right-of-way and the rapidway easement(s).

For example, the Region would be responsible for all winter maintenance, including snow removal from the rapidway, to be coordinated with the snow removal on the adjoining road segments. Similarly, non-winter maintenance such as pothole repairs and station cleaning would be the sole responsibility of the Region.

As importantly, the Region would be responsible for the review, coordination, approval and oversight of all third-party requests for use of the right-of-way, such as for utility crossings, development-related requests, or special use permits.

The basis for the Region's decision-making with respect to operational or maintenance decision-making in the Metrolinx easement(s) will be consistency and integration with the approach being used by the Region on the adjoining Regionally-owned infrastructure elements.

2. Metrolinx will be responsible for all decision-making, funding, and delivery of longer-term asset preservation and asset replacement of the rapid transit built infrastructure, as these decisions directly affect the capital valuation of the these provincially-owned assets

Decisions with respect to planning, scheduling, programming and funding of asset preservation or replacement for infrastructure such as pavement, structures, or stations, have a direct impact on the capital valuation of such assets. For example, deferral of pavement crack-sealing can lead to pre-mature pavement failure and shortening of the life of the pavement, requiring earlier reinvestment in replacement of the top pavement course(s). Similarly if the reinvestment in these top layers is not made at the appropriate time, the overall pavement structure could be damaged to the point where complete reconstruction is required - a much more expensive proposition.

In light of this direct relationship, Regional and Metrolinx staff propose all responsibility, administrative and financial, for longer-term asset preservation and replacement remain with the Metrolinx.

Staff of both agencies have, however, identified that asset preservation or replacement works on Metrolinx's infrastructure could be coordinated with, or even carried out by, the Region's service providers on the adjoining Regional infrastructure elements, with appropriate cost-recoveries from Metrolinx.

3. The Region will continue to own all of the Viva bus fleet and to be responsible for transit operating decisions while maintaining provincial service level expectations

An underlying principle is that the Region will continue to be wholly responsible for operation of the Regional Viva service. Metrolinx staff has, however, indicated that to comply with the provisions of the *Metrolinx Act, 2006* which dictate that provincial investment in rapid transit, necessitates the passing of by-laws by Metrolinx with respect to the service-levels, schedules, and fares of the transit operations using the rapid transit infrastructure. These service level, schedule, and fare necessities need to be balanced with Regional Council's decision-making responsibilities regarding funding Viva service as Regional Council is the party currently responsible for Viva operating costs.

4. The Region will maintain sole responsibility at all road intersections

As identified above, the concept of the easement in the middle of the Regional roads is complicated by the fact the Region has jurisdictional and operational responsibility for all intersections with a Regional road.

The Region will maintain sole responsibility for all intersections and the easement(s) to be transferred to Metrolinx reflect this responsibility *(see Attachment 3)*. As such, the Region would be wholly responsible for all intersection signals and for operational decision-making, such as signal timing, while respecting the Metrolinx need for ensuring adequate ongoing rapid transit service levels.

5. While the Region would be responsible for the operation of the fare-collection media and Intelligent Transportation System components, the Province will own and be responsible for future upgrades and replacement of such components

The rapid transit project includes provincial investment in a number of fare-collection and Intelligent Transportation System (ITS) technical elements such as a new Computerized Traffic Control System (CTCS).

As these elements represent discrete investments in technical support infrastructure, they will be owned by the investing agency Metrolinx, but will be operated as integrated elements with the Region's ITS and fare-collection systems. The fare-collection equipment is also to be integrated with the provincial Presto system. Like the other built elements, these technical elements will also require periodic decisions on upgrades (preservation) and replacement.

It is proposed that Metrolinx, as owner of these technical components, also be responsible for future upgrades and replacement.

6. The Region and Metrolinx propose a Partnership Oversight Framework to provide common input to the respective decision-making processes and ensure appropriate coordination of future works

As may be evidenced from the above discussions, staffs at both Metrolinx and the Region have identified that future operational, planning, programming and investment decision-making will require communication and coordination. To facilitate such an ongoing relationship, a permanent Rapidway Management Committee (RMC), consisting of staff from both Metrolinx and the Region, has been proposed. As a minimum, the proposed Rapidway Management Committee would:

- Consider rapidway, road, traffic, and transit maintenance, operational and service planning issues.
- Share information and ensure future decision-making by either party is based on common information.
- Review third party asset condition assessments, for purposes of potential coordination of asset preservation and replacement activities.
- Establish and monitor asset preservation and replacement programs to maintain state of good repair levels of the originally-constructed assets.

5. FINANCIAL IMPLICATIONS

Future operational and maintenance costs will be developed in coordination with Metrolinx and will form the basis of future Operating Budget submissions for Regional Council consideration

While these proposed Operating Principles have been discussed with, and generally well-received by, Metrolinx staff, significant work lies ahead in the negotiation of an appropriate Operating Agreement reflecting these principles. These negotiations will include the estimation and allocation of significant additional operating and capital costs by both parties.

It is proposed the Operating Agreement be negotiated, reviewed by Regional Council and the Metrolinx Board and executed prior to the commissioning of the VivaNext design-build project (Highway 7 between Yonge Street and Warden Avenue) and commencement of Viva service. As such, it is anticipated the operating costs for the elements to be taken on by the Region will form the basis of the multi-year outlooks in the draft 2012 Roads and Transit Operating Budgets, and be requested as in-year costs potentially as early as the draft 2013 Operating Budget.

6. LOCAL MUNICIPAL IMPACT

All rapid transit projects will provide significant transportation benefits, when completed, and operational, to all Regional users. While being implemented in a staged manner over time, the improvements will most directly benefit the municipalities of Aurora, Markham, Newmarket, Richmond Hill and Vaughan.

7. CONCLUSION

The Master Agreement establishing the roles and responsibilities of YRRTC, the Region and Metrolinx in respect of the delivery of the first rapid transit projects is planned to be presented to the Regional Finance and Administration Committee on February 3, 2011. In preparation of that presentation, this report presents the anticipated future assignment of roles and responsibilities for the post-construction operation and asset management of the integrated road, traffic and transit elements. The proposed Operating Principles presented herein have been spelled out in Schedule J of the Draft Master Agreement and will form the basis of a future Operating Agreement to be negotiated between the Region and Metrolinx.

For more information on this report, please contact Paul Jankowski, General Manager, Roads at Ext. 5901.
The Senior Management Group has reviewed this report.

(The 3 attachments referred to in this clause are attached to this report.)

YRRTC / Metrolinx / York Master Agreement Operating Principles

Transportation Services Committee

February 2, 2011

Paul Jankowski

Overview

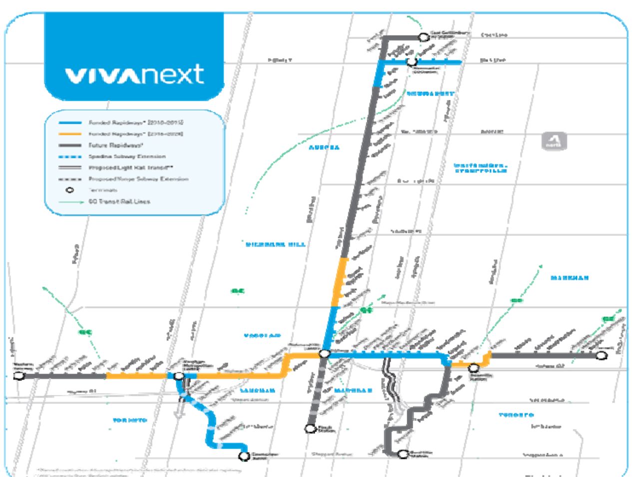
- Background – MOA
- Draft Master Agreement & Schedules
- Operating Principles:
  - Guiding Principles
  - Proposed Easement
  - Roads
  - Transit
  - Traffic & ITS
- Next Steps

Seeking Transportation Committee endorsement of Operating Principles today
Master Agreement to be presented to F&A Committee on February 3, 2011

Original Memorandum of Agreement (MOA)

- In October 2009, the Region & YRRTC entered into MOA with Metrolinx to fund cash flow expenditures on vivaNext “green bundle” rapid transit projects
- First “Green bundle” projects are Davis Drive - Yonge to Hospital and Hwy 7 Yonge to Warden
- MOA expires March 31, 2011
- MOA to be superseded by new Master Agreement with Metrolinx which will govern relationship with Metrolinx in the delivery of the vivaNext green bundle projects.

VivaNext Projects



New Master Agreement with Metrolinx

- To be effective April 1st, 2011
- Framework agreement to establish roles and responsibilities respecting vivaNext projects
- Framework Agreement to be jointly signed by the Region, YRRTC and Metrolinx
- In September 2009, the YRRTC Board authorized YRRTC entering into Master Agreement with Metrolinx
- Regional Council approval is still required for the Region to enter into Master Agreement

Schedules to the Master Agreement

Agreement Schedules will set forth administrative protocols and responsibilities on a go-forward basis:

- Procurement Protocol
- Communications Protocol
- Eligible Costs
- Administrative Protocol
- *Real Estate Protocol*
- *Operating Principles*

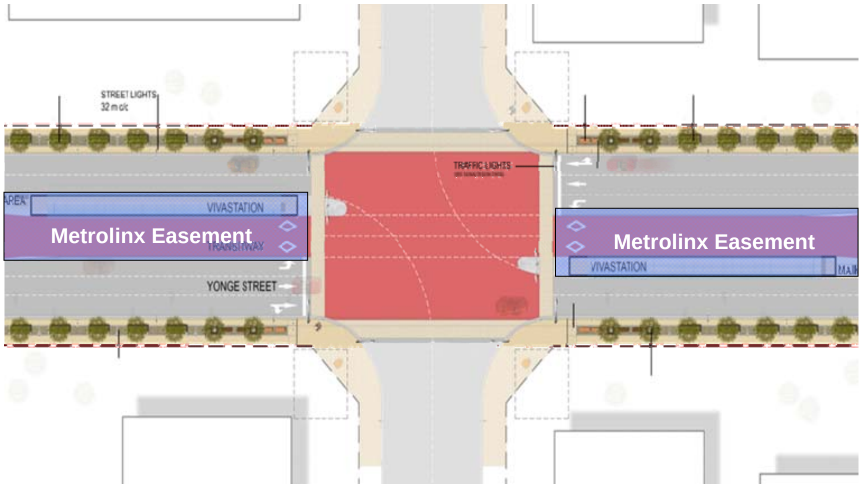
Draft Operating Principles

- Well-received when presented to Metrolinx senior staff on November 22, 2010
- Intended to form basis of a future Operating Agreement to be executed before Commissioning of the first Rapidway projects
- Regional staff have now drafted schedule which has been forwarded to Metrolinx

Guiding Principles

- Region would be responsible for all ***day to day operation and routine maintenance*** decision-making and delivery for all elements of the Rapidway
- Province would be responsible for ***asset preservation and replacement*** decision making and funding, as these decisions directly affect capital valuation of the assets
- Asset conditions to be maintained to State of Good Repair levels of originally constructed assets
- Asset conditions could be assessed/managed by 3rd Party
- Region could provide asset preservation/replacement services on a contracted basis

Suggested Typical Easement



Potential Partnership Oversight Process

- Establish a Rapidway Management Committee composed of both Provincial and Regional staff
- Rapidway Management Committee to meet regularly to:
  - Consider rapidway maintenance, operational, and service planning issues
  - Review 3rd party asset condition assessments
  - Establish and monitor asset preservation and asset replacement programs to maintain State of Good Repair levels of originally constructed assets

Roads - Day to Day Operations and Routine Maintenance

- Region shall be responsible for the administration of approvals and/or permits along or adjacent to the Transit Rapidway
- Region to carry out all maintenance to the same standards and practices on the Rapidway elements as on the adjacent roadway elements
- Minimum Maintenance Standards for Municipal Highways - "Class 1 Roadway" Ontario Regulation 239/02
- Region to be fully accountable for all intersections

Roads - Asset Preservation and Replacement

- Preservation examples include crack sealing and micro-surfacing
- Replacement examples include resurfacing at years 15, 30
- Asset condition assessments and recommendations by independent 3rd Party retained through the Rapidway Management Committee (RMC) as decisions could also affect the Region's day to day operating costs

Roads - Asset Preservation and Replacement (Cont'd)

- Under advisement of the RMC, Province to be responsible for all decision-making and all costs associated with asset preservation and replacement to maintain State of Good Repair levels of originally constructed assets
- To achieve efficiencies of scale, Region could deliver asset preservation and/or replacement services in coordination with it's own work on adjacent roadway segments

Transit - Daily Operation

- Under advisement of the Rapidway Management Committee (RMC) YRT to operate Viva service and administer all service contracts
- *Viva service levels to be based on customer demand and conform to the requirements of the Metrolinx Act*
- *Service demand shall be in accordance with Public Vehicles Act*

Transit - Asset Preservation and Replacement

- Preservation examples include station refurbishment, or software or infrastructure upgrades for fare collection equipment or on-board ITS equipment
- Replacement examples include platform or canopy replacements at the VIVA stops at appropriate times, say years 20 and 40, and replacement of fare collection equipment or on-board ITS equipment

Transit - Asset Preservation and Replacement (Cont'd)

- Recommendations by independent 3rd Party retained through the RMC as decisions could also affect the Region's day to day operating costs
- Under advisement of the RMC, Province to be responsible for all decision-making and all costs associated with asset preservation
- Region could deliver services in coordination with it's own work on either other YRT or VIVA system

Traffic Management and ITS
Day to Day Operations/Maintenance

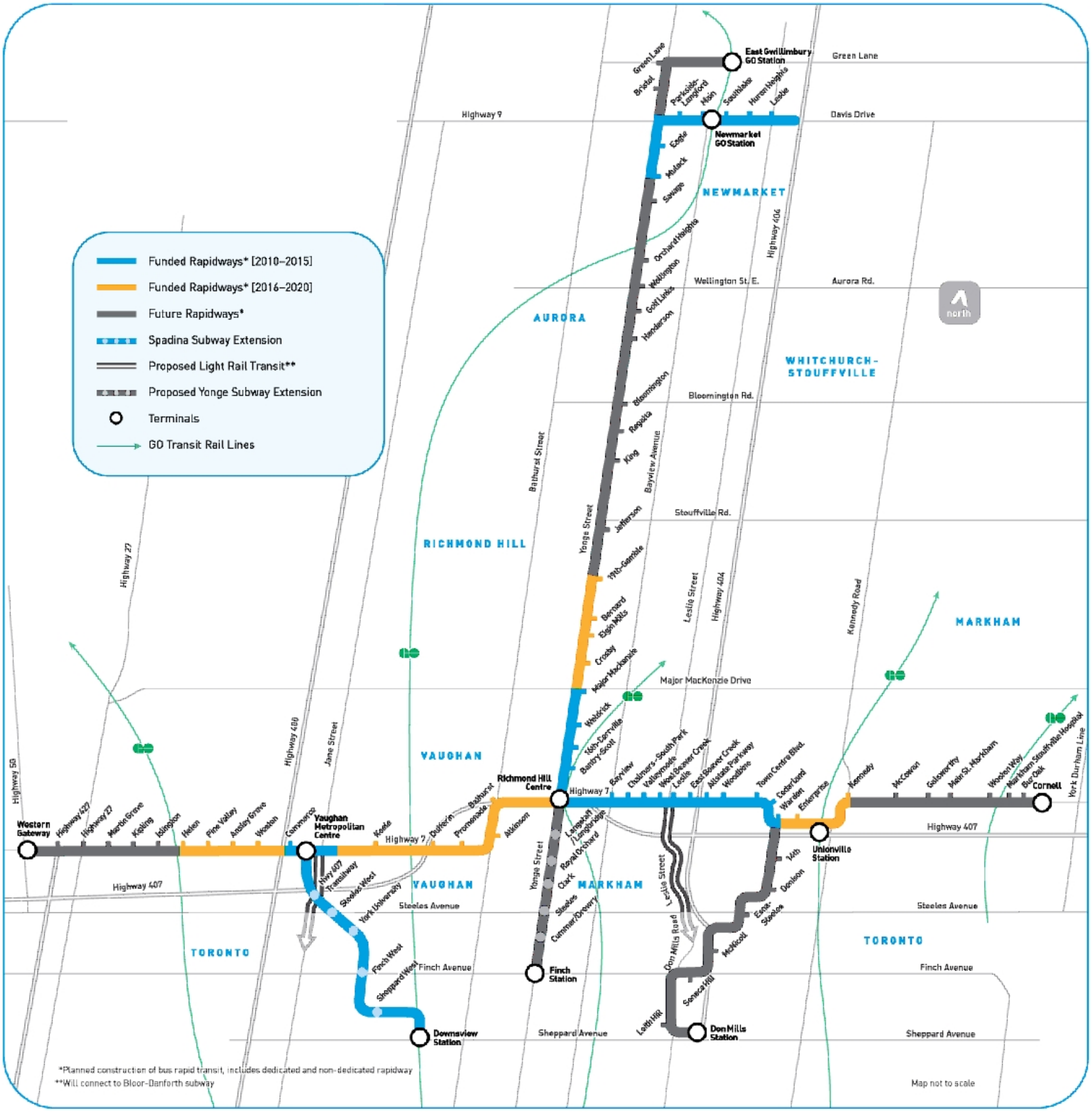
- *Metrolinx granted easement would not include intersections*
- As the Region would maintain substantive control through the intersections *Region would own, operate and carry out all maintenance of the traffic control signals*
- Region to be responsible for all funding associated with in-field traffic control signals
- *Province to own the CTCS*
- Under advisement of the RMC the Region would assume administrative accountability for operation, maintenance and management of the Centralized Traffic Control System (CTCS)

Traffic Management and ITS
Asset Preservation and Replacement

- For in-field elements, examples would include lamp replacements. For the CTCS examples would be software upgrades
- Asset condition assessments and recommendations by independent 3rd Party retained through the RMC
- Under advisement of the RMC, Province to be responsible for all decision-making and all costs associated with asset preservation and replacement of CTCS only

Next Steps

- Companion Reports:
  - Report of the Chief Administrative Officer respecting the substantive terms and provisions of the Master Agreement to February 3, 2011 Finance and Administration Committee
  - Information Staff Report to YRRTC Board Meeting on February 3, 2011
- February 18, 2011
  - Metrolinx Board Approval to enter into Master Agreement
- February 27, 2011
  - Regional Council Approval to enter into Master Agreement
- April 1, 2011
  - Executed Master Agreement



VivaNext (Green Bundle) Projects

Highway 7 (H3) design-build project between Yonge Street and Warden Avenue

Davis Drive (D1) Early Works design-build project between
Yonge Street and Southlake Regional Health Centre

Yonge Street (Y2) from Richmond Hill Centre to Major Mackenzie Drive

Highway 7 in the vicinity of the Vaughan Metropolitan Centre

Yonge Street from Mulock Drive to Davis Drive

York Region

LOCATION PLAN

VivaNext Projects

SCHEDULE "J"

OPERATING PRINCIPLES

1. Purpose

These Operating Principles establish a framework for assigning roles and responsibilities for the operation and maintenance of the vivaNext Rapidway.

2. Definitions

The following definitions shall apply to this Schedule:

(a) "**Bus Rapid Transit Right-of-Way Lands**" means those portions of York's highways in, under or through which the vivaNext Rapidway will be constructed and operated;

(b) "**Easement Lands**" means those portions of York's highways which will be subject to a perpetual easement in favour of Metrolinx, as shown on the diagram attached as Appendix 1 to this Schedule;

(c) "**Project Assets**" shall have the meaning as set out in the Master Agreement; and

(d) "**vivaNext Rapidway**" shall have the meaning as set out in the Master Agreement.

3. General

3.1 This Schedule establishes the fundamental framework for the division of responsibilities between the parties for the operation and maintenance of the vivaNext Rapidway and the Project Assets. Metrolinx and York undertake to work co-operatively to develop a detailed operating protocol based on these principles.

3.2 Despite any provision of this Schedule, York shall retain jurisdiction over the Bus Rapid Transit Right-of-Way Lands, including the Easement Lands, and shall have exclusive regulatory control, including enacting by-laws under the *Municipal Act, 2001*, the *Highway Traffic Act* and any other legislation applicable to the regulation and maintenance of highways.

3.3 These principles are intended to recognize and reconcile York's role as the entity having jurisdiction over the highway, and Metrolinx's rights and responsibilities under the *Metrolinx Act, 2006*. The parties are committed to work co-operatively to preserve the useful life of the Project Assets.

3.4 The intent of the parties is that the standards and practices applicable to the vivaNext Rapidway shall be consistent with those applicable to the adjacent right-of-way, where appropriate. Accordingly, these principles shall apply to the full extent of the right-of-way, including the Easement Lands and the adjacent road allowance.

3.5 York shall be primarily responsible for the operation and maintenance of the Project Assets in the immediate term. Metrolinx shall be responsible for longer term asset preservation and replacement, consistent with its interest in preserving its capital investment in the Project Assets.

3.6 Metrolinx and York agree that the Project Assets shall be maintained, at a minimum, to the state of good repair levels prevailing as of the original construction or such enhanced standard as may be mutually agreed between the parties from time to time.

4. York's Responsibilities

4.1 York shall be responsible for planning and implementing all day to day operations and routine maintenance of the Project Assets and the vivaNext Rapidway. Routine maintenance shall include, but not be limited to: winter maintenance, snow and ice removal, sanding, sweeping, catchbasin cleaning, pothole repairs, boulevard maintenance, tree and shrub planting and trimming,, pavement markings, sign management, curb repairs, traffic signal maintenance and software and hardware maintenance for fare collection and on-board equipment.

4.2 York shall be solely responsible for the issuance and administration of permits and approvals along, adjacent to or across the vivaNext Rapidway, including the Easement Lands, subject only to notifying Metrolinx if any works pursuant to any permits or approvals may cause a significant impact on the Easement Lands.

4.3 York shall have exclusive jurisdiction over intersections and shall own and operate all traffic signals.

4.4 York shall maintain the vivaNext Rapidway, at a minimum, to comply with the Minimum Maintenance Standards for Municipal Highways – "Class 1 Roadway" Ontario Regulation 239/02 as amended or superseded from time to time.

4.5 York shall be responsible for operating Viva service and administering all service contracts.Viva service levels shall be based on customer demand and conform to the requirements of the *Metrolinx Act, 2006* and the *Public Vehicles Act*.

5. Metrolinx Responsibilities

Asset Preservation

5.1 Metrolinx shall be responsible for all undertakings which affect the capital value of the Project Assets and which are required to preserve the life cycle of the Project Assets, including, but not limited to: pavement preservation, crack sealing, station refurbishment and software or infrastructure upgrades to fare collection equipment, on-board ITS equipment and security/public address systems.

Asset Replacement

5.2 Metrolinx shall be accountable for all decisions regarding the replacement of all Project Assets, including road resurfacing, replacement of platforms or canopies at Viva stops, and replacement of fare collection equipment and on-board ITS equipment, and shall pay the cost of all such replacements.

Centralized Traffic Control System

5.3 Metrolinx shall own and be fully responsible for all maintenance and replacement costs associated with the Centralized Traffic Control System.

6. Management Committee

6.1 Metrolinx and York shall establish a Rapidway Management Committee with equal representation from Metrolinx and York staff for the purpose of co-ordination and oversight of operations, maintenance and asset preservation and maintenance activities.

6.2 The Rapidway Management Committee shall be an advisory and consultative committee and shall not have the power to bind either party. York and Metrolinx acknowledge that any decision regarding funding of asset maintenance or replacement may require the approval of the Metrolinx Board and Regional Council, respectively.

6.3 The Rapidway Management Committee shall meet at least quarterly and more frequently as required.

6.4 The mandate of the Rapidway Management Committee shall be as follows:

(a) to develop a detailed operating protocol to govern the maintenance obligations with respect to the vivaNext Rapidway and the Project Assets for a 10 year term, including insurance and indemnity provisions;

(b) to discuss and review minimum service levels for the Viva system;

(c) to co-ordinate maintenance, operational, and service planning issues;

(d) to retain third parties, as necessary, to conduct assessments of the state of repair of Project Assets and make recommendations;

(e) to review assessments conducted by third parties with respect the Project Assets and consider implementation of recommendations;

(f) to establish and monitor asset preservation and asset replacement programs to ensure that Project Assets are maintained in a state of good repair;

(g) to recommend budget allocations for the one (1) year, five (5) year and ten (10) year terms to ensure that both Metrolinx and York will be allocated the necessary resources to fulfil their respective obligations under this Schedule; and

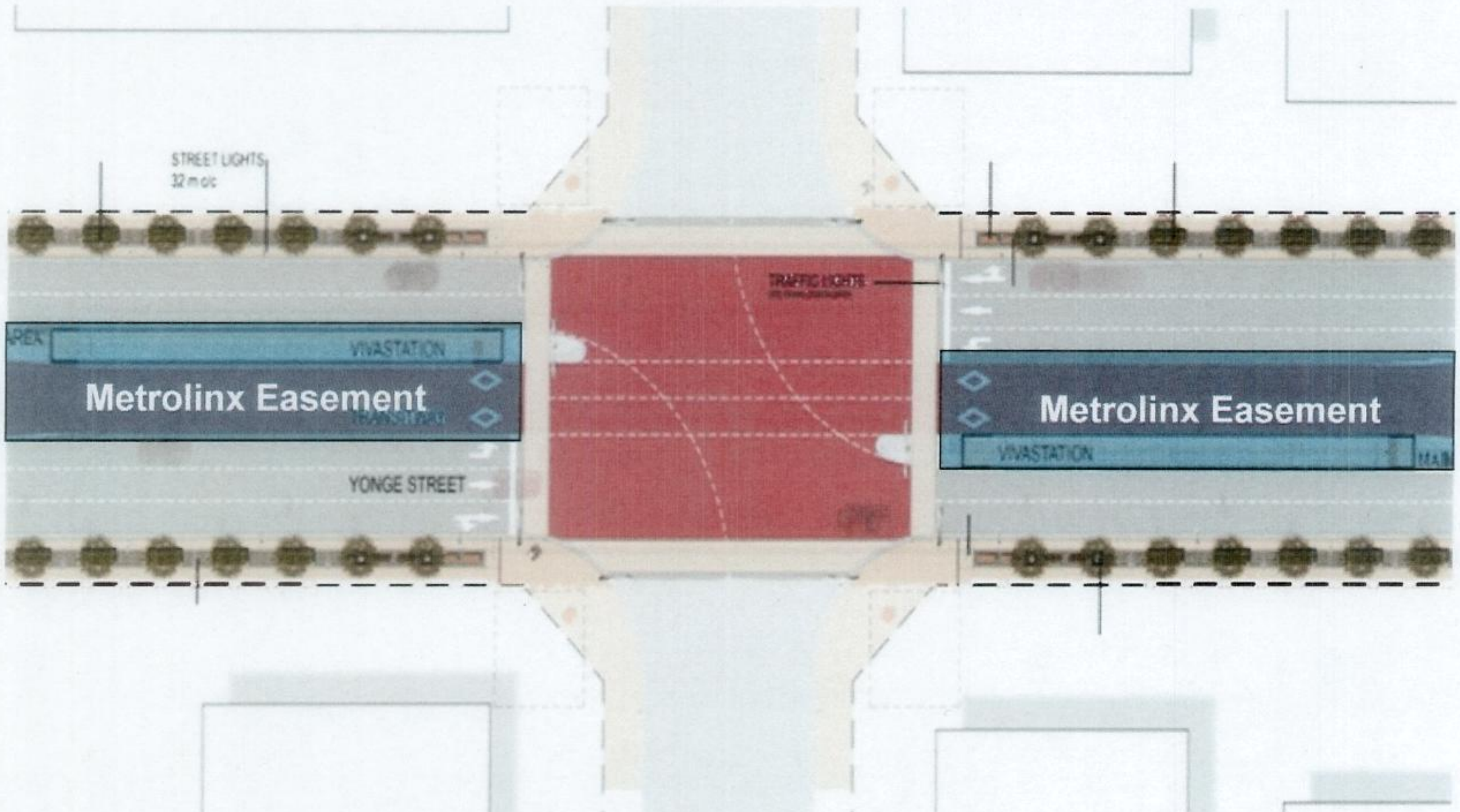
(h) to identify and propose future modifications to the Project Assets, if desirable, to achieve a standard exceeding the prevailing state of good repair.

7. Funding and Financial Controls

7.1 York and Metrolinx shall each be responsible for the costs of implementing their respective responsibilities in accordance with these principles.

7.2 Metrolinx may contract with York to undertake asset preservation and asset replacement works as contemplated under these principles, however Metrolinx shall reimburse York in full for the cost of undertaking such works.

Suggested Typical Easement



York Region