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YORK REGION TRANSIT QUICK START PROJECT - FINAL REPORT

The Rapid Transit Public/Private Partnership Steering Committee recommends the adoption of the recommendation contained in the following report, September 11, 2006, from the Commissioner of Finance:

1. RECOMMENDATION

It is recommended that this report be received for information.

2. PURPOSE

This report provides a final update on the costs incurred for the Quick Start capital project of the York Rapid Transit Plan from the commencement of the concept definition in 2002.

3. BACKGROUND

In 2002, Regional Council approved the Quick Start segment of the York Region Rapid Transit Plan and engaged York Consortium 2002 to implement the plan. In March 2004, the Region executed funding agreements with the federal and provincial governments to contribute \$50 million each towards the Quick Start project. Staff have been providing regular updates of costs incurred.

4. ANALYSIS AND OPTIONS

The costs associated with the Quick Start project are set out in Attachment 1.

Implementing the 'Quick Start' project was approved by Regional Council at a cost of approximately \$150 million of which the Region's 1/3 share is \$50 million. Costs incurred for Quick Start total \$155.8 million. Included in these costs are \$53.2 million for buses, \$17.1 million for running ways, \$18.0 million for the Intelligent Transportation System (ITS), \$11.1 million for operating and maintenance mobilization and \$7.1 million in project management costs. Regional oversight costs of \$9.2 million include internal Regional costs and consultants engaged to assist with project oversight.

The column labelled "Approved Total Cost" is divided into two columns to highlight those costs that form part of the original \$150 million approval and costs that are approved beyond the \$150 million.

One component of the project, a pedestrian bridge at the Richmond Hill Centre valued at approximately \$6.0 million has yet to be constructed. To be eligible for provincial funding, construction of the bridge must be completed by March 2007. That date is not likely to be met, and discussions are underway between Rapid Transit staff and provincial representatives to determine what other costs are eligible for subsidy in order to maximize the province's pledge of \$50 million. The construction of the pedestrian bridge has no impact on the federal grant due to differences in funding criteria.

5. FINANCIAL IMPLICATIONS

As highlighted in Attachment 1, the Region has incurred costs totalling \$155.8 million for the Quick Start project. As noted in the background section of the report, in March 2004, the Region executed funding agreements with the provincial and federal governments who are to contribute \$50 million each towards the Quick Start project.

Both senior levels of government have commenced the flow of funds. In late December, 2005 the Region received \$1.57 million and a further \$15.79 million in April from the federal government towards the purchase of the bus fleet. In May, the provincial government flowed \$33.4 million towards its share. A further payment request of approximately \$10 million is in process.

6. LOCAL MUNICIPAL IMPACT

Rapid Transit costs are included in the Regional levy. The integrated transit network will provide a timely, efficient transportation alternative to the area.

7. CONCLUSION

This report provides a summary of the final costs of the Quick Start segment of the York Region Rapid Transit Plan. Costs reported are from inception in 2002 to project completion. Both senior levels of government have commenced the flow of funds towards this project. To date, \$17.4 million and \$33.2 million has been paid by the federal and provincial governments respectively.

(The attachment referred to in this clause is included with this report.)