

Metrolinx Media Conference Call – Oct 2, 2013 – Transcript/Synopsis

Robert Prichard, chair of Metrolinx board of directors introduced the session and turned it over to Bruce McCuaig, CEO of Metrolinx. Bruce reviewed the contents of the letter to City Manager Joe Pennachetti to establish the next steps for the Scarborough transit discussion at City Council.

Q. Oliver Moore – Globe & Mail

Provincial funding is available for a subway that connects to Sheppard LRT but then again later you said that the subway alignment must connect to Sheppard. Only one of the proposed alignments connects to Sheppard. Should we take that to mean you favour city's proposed alignment?

A. Rob Prichard

You should take it to mean there should be a network and there should be a connection between the subway extension and Sheppard. The alignment to achieve that is still to be determined through the process that we have said the TTC should follow and that we will defer to. But we want to make sure there is a connection to Sheppard.

Q. Tess Kalinowski – Toronto Star

If city council should vote next week for some reason to decide that an LRT is actually their preferred option at this point, does Metrolinx still support an LRT and agree to put the \$1.48 billion toward that?

A. Rob Prichard

We're working with this letter on the understanding that all three levels of government have expressed their preference for the subway and we're setting out a path and conditions that would make that possible. If that's not the circumstance we face, we'll deal with that later. But I think it's pretty clear city council has voted in favour of a subway, the province has said it supports a subway, and the federal government has said it supports a subway. We're working in that framework with the three governments unanimously expressing that preference and we think it's incumbent on us to make sure that's most consistent with the budgetary constraints we face and the best possible transit planning to be done, taking as a given the preference for a subway.

Q. Natalie Johnson - CTV

I'm wondering, when you say Metrolinx is prepared to accept city's position on the alignment, does that mean the province is on board with that position as well, or do the politicians still have to be convinced?

A. Rob Prichard

We're speaking for Metrolinx on this, but we believe the province would endorse the position we've set out, which is that the proper way to determine the alignment is pursuant to the environmental assessment approval process and the TTC and city should be the proponent. It's in that respect that we say that we will accept the judgment they reach at the end of that process so long as it addresses all the evidence that the city, the TTC, Metrolinx and the

province have put on the table to come to the best possible alignment. In writing this letter you should assume that it's supported by the province.

Q. Natalie Johnson

So as long as the EA ends up proving city's proposed alignment is possible, that's how the subway would be aligned?

A. Rob Prichard

We're saying at the end of the process of environmental approval, with the city and TTC as the proponents, that will determine the alignment. We still think there's work to be done by the city and by ourselves collaboratively on the evidence. So far the debate has been put as a binary discussion between the SRT alignment on the one hand and a McCowan alignment on the other. Various commentators have argued that there are further refinements with respect to the exact alignment and the exact station locations that could improve the value of the subway and we think all those factors should be weighed by the city in coming to its recommendation and putting it through the environmental assessment. The work's not yet fully done. There's further collaborative work to do, but we thought it important in advance of the city council meeting to be clear that the city would be the proponent and the environmental assessment process should be the process for making the final choice on alignment.

Q. Oliver Moore

The city is obviously going to do the EA process on the route it has in mind. The route they have in mind is the route that's going to be approved.

A. Bruce McCuaig

It's fairly normal practice in an environmental assessment process to look at alternative ways of addressing the problem that's being solved. We would expect and I think the TTC would expect that those various alternatives would be identified, evaluated and analysed in a very systematic and comprehensive fashion and that would lead to, in the end, the optimal choice in alignment and station location. We think that's the proper route to be followed, as we've set out in the letter. We're not trying to prejudge what is going to be the correct or appropriate answer in the end. We think we need to go through a process with the TTC to gather the information and to prove out what is the optimal alignment for this project.

Q. Rahul Gupta – Toronto Community News

Is this letter basically a sign from Metrolinx that it's washing its hands of the subway project and discussion and moving onto other things and giving the city and TTC the risk?

A. Rob Prichard

No. It's hardly washing one's hands to contribute \$1.48 billion to a project that will represent over half the funding of the project for starters. Second, we're far from washing our hands in terms of our emphasis on the importance of a network of rapid transit projects to serve the GTA and serve the Scarborough area. We've set out the relevant information that we think needs to be considered. We're saying, with respect to the finances, our contribution is as stated in the letter and with respect to finalizing the route and station locations, the approval process should be the environmental assessment process, with the city and TTC as the proponents.

Q. Rahul Gupta

In regards to the planning of the subway project, what exactly is Metrolinx doing?

A. Bruce McCuaig

We're continuing to do the analysis of ridership, of refine the costs and our discussions with the TTC and the city, gather more information on operational land use and other considerations and we'll continue to work very, very closely with the TTC and the city as we go through that process. The idea is to work collaboratively on the kind of analysis that is needed to come to ultimately the conclusion that the city and the TTC will have on the alignment and the station locations.

A. Rob Prichard

We also need to continue to do the work to integrate the subway extension into the other aspects of the regional transportation plan. We have a common station at Kennedy that has to accommodate the Eglinton Crosstown and the subway extension. We will have a common intersection of the Sheppard LRT and the subway. We have the integration of the Durham Pulse coming into Scarborough Town Centre and the need to make that into a regional transit centre that's served by the subway as well as other modes. There's lots of points of intersection between our broader agenda and this project. It's only in some narrow respects that we're saying because this is an extension of an existing asset, this is the city's project and the city should be the proponent on the environmental assessment.

Q. Antonella Artuso – Toronto Sun

Minister Murray said he was only prepared to build a fully-funded subway and that the only route, even with the federal money, that was fully funded was the route that the province has been proposing. Should there be a gap in the amount of money needed to build whatever route the City of Toronto and TTC ultimately come up with, who would be responsible for paying for that?

A. Rob Prichard

As the letter says, this is tri-partite funding. It's the province putting in \$1.48 billion, the federal government putting in \$660 million and the city making up the rest. As the city's July vote indicated, they contemplated and the city's application to the federal government for support contemplated the city making its contribution. What we have in mind is tri-partite funding, which we think is a very attractive template for building rapid transit in the city. As the letter says, with respect to the ultimate outcome, with the city as the proponent and the city as owner of the project, would be responsible for the ultimate budget, with the contributions from the province and the federal government as I stated them earlier.

Q. Tess Kalinowski

Timeframe set out in the letter – is that any different than the money that would have flowed through the original master agreement? Or does this represent 5 years in the future when the EA's done and you're ready to put shovels in the ground?

A. Bruce McCuaig

What we've been trying to make sure of is to look at the natural evolution of this project, because it still needs to go through the planning, engineering and environmental processes before we get to construction. So thinking about what is the likelihood of when does construction start and funds therefore needed. As well as, what is the cashflow that Metrolinx was previously planning on for the former Scarborough LRT project. The reference to 2018/19 is intended to recognize that's likely to be the timing when the major investments start to flow to the project and also reflect the cashflow that we had been anticipating for our previous commitment towards the Scarborough LRT project.

Q. Oliver Moore

The city motion supporting subway includes two fundamental criteria of getting \$1.8 billion from the province and getting half the net capital costs from the feds and neither of those has actually been fulfilled. Curious if you can elaborate on when you say all three levels of government are supporting this. City council is supporting this but some of the conditions for their support aren't coming true by the deadlines they set.

A. Rob Prichard

I think from our perspective that's why we want to be clear where we stand, just as the government of Canada has been clear where it stands in advance of City Council completing the pieces of the puzzle if you will. The position we're communicating in this letter with respect to finances is exactly the same position that we've communicated previously with the city both privately and in previous correspondence. I think there's no surprise in any of that. City council has to make its final decision next week. The fact the city's project has attracted such significant financial support from the federal government I'm sure is a marked achievement for advancing a tri-partite advancing of a major project. We expect the city will complete its decision to be the third party to it. As I said earlier, if that's not the case we'll have to consider that circumstance. But at present, as the letter makes clear, we're acting on the assumption that city council will be approving its participation.

Q. Oliver Moore

As you say in the letter, you defer to governments as ultimate decision makers, but as the regional transit agency, as this debate has gone on over the last weeks and months, if you felt the LRT was a good option for the area and could be done with the existing funds, why hasn't Metrolinx been publicly saying "We're the regional transit agency and we think this is a good solution"? Why not have a voice in the debate?

A. Rob Prichard

I think it's the case that A) it's in the Big Move, B) it's been in every piece of correspondence we've done on the subject, C) we're party to an agreement that calls for the LRT. So I don't think there's been any wavering in our position. We also understand that at the end of the day, governments are the ultimate decision makers in this matter and there's been a vigorous debate at three levels of government about this question and each of those levels of government have in their own way expressed their preference for different technology. That's something they're free to do, have done and our job as an agency is to continue to bring fiscal discipline to bear. What we continue to recommend is that our exposure to this project continue to be limited to the amount we would have spent on the LRT. Our job is to make sure the other projects are not prejudiced in any way. We're continuing with those projects and protecting the budget for them

and we're accepting the reality that three levels of government have chosen to have a preference for a different technology. I don't know that I can say more, Oliver, about that.

Q. Natalie Johnson

Assuming the subway plan gets the green light from council next week, how long until the EA gets underway and gets finished and a decision on the route can be made once and for all?

A. Bruce McCuaig

It's going to be the city and the TTC who are the proponents on the project, so they'll be responsible for setting out a work program to get to the point where they have environmental approvals. Typically the environmental process is an 18 to 24 month long process in terms of the amount of time to do all the studies, gather the information, consult, engage with the public and stakeholders and then ultimately submit all the materials. We would expect that's the time, but in the end the city and the TTC would have to design a program to take the project forward through that process.

Q. John McGrath – QP Briefing

Given that we're talking about hitting at least a pause if not a reset button on the Scarborough RT, is there any chance for Metrolinx to move up other projects like the Finch or Sheppard LRT?

A. Bruce McCuaig

We are going to be looking at all of the projects that are in our plan or program going forward, including the Sheppard and Finch projects, and try to come up with an optimal delivery program. We need to make sure that everything fits together, both in terms of how projects are scheduled and how they intersect with each other, as well as make sure that we're not putting too much work into the marketplace at exactly the same moment in time. We are looking at, given the shift in the project scope for the Scarborough subway extension, what could that mean in terms of adjusting some of the other projects. So that's something that's actively under consideration.

Q. John Mcgrath

We've already got city councillors talking about converting Sheppard to a subway as well. How can Metrolinx talk about protecting the other projects in the system after the last few months, where we've already abandoned one LRT plan?

A. Rob Prichard

First, we can be clear as to our intentions and in this I believe city council has voted to reaffirm its commitment to the other three projects. Our board is fully committed to them. I haven't seen any evidence of anybody else not being committed to them, at institutional levels. Yes, individuals have spoken to it. Second, there is no financing available to go beyond, from the provincial side, beyond commitments we've made to these projects, which is why we're insistent on maintaining our commitment to this one at \$1.48 billion. Transit will always attract people with alternative plans. In every jurisdiction in the world where major transit projects are being built there are arguments and disagreements about it, but I think on this there is a wide consensus of support in place for the other three projects. As you know, the Eglinton project is well underway with tunnelling underway and I'm optimistic we'll stay the course on the other

three projects, all of which are excellent projects, which funding is provided for them and where the environmental assessment is done and we're good to go.

Q. Tess Kalinowski

If there is subway construction, would the \$1.48 billion from the province cover things like bussing for SRT and subway service disruptions or does the city have to find that money on its own?

A. Bruce McCuaig

With the proposal to extend the Bloor-Danforth subway it's been identified that we need to extend the life of the existing Scarborough RT and there is a cost associated with that. So that becomes a project cost that needs to be covered off in the overall budget for the program. I think the three levels of government will be contributing their relative shares of the project and then it's going to be up to the TTC and the city as the project owners to use those funds to cover off the various project elements. Another cost associated with the proposed subway extension is that ultimately the Scarborough RT would need to be decommissioned and demolished and that would be a project cost that would need to be covered off. Those are all elements that would need to go in the budget and I believe the city, the TTC and Metrolinx have all been looking at those various costs. For example, the life extension of the SRT is estimated to be \$96 million.