

The Regional Municipality of York

Regional Council
June 30, 2022

Report of the Chief Administrative Officer

Phase Two Bus Rapid Transit – Metrolinx Master Agreement Construction Close Out and Project Transition

1. Recommendations

1. Council endorse the transfer of the Phase Two Bus Rapid Transit (“BRT”) environmental work program and property and environmental cash management functions from York Region Rapid Transit Corporation (“YRRTC”) to York Region.

2. Summary

This report seeks Council endorsement of transferring the Phase Two BRT environmental work program and property and environmental cash management functions from YRRTC to York Region.

Private Attachments 1 and 2 are private pursuant to sections 239 (2)(a) and (e) as they pertain to security of Regional property and potential litigation.

Key Points:

- YRRTC project management responsibilities for the planning, design and construction of the Phase Two BRT corridors will be completed in 2022
- The Master Agreement between York Region, YRRTC and Metrolinx will expire in 2025
- YRRTC is currently transitioning the cash management function of the property work program to York Region
- YRRTC is also transitioning remaining Phase Two BRT environmental work program activities and cash management functions to York Region
- The Master Agreement contains a provision that York Region is jointly and severally responsible for YRRTC’s obligations under the Agreement and Metrolinx has agreed that York Region will assume these responsibilities going forward

3. Background

The Master Agreement between York Region, YRRTC and Metrolinx will expire in 2025

The tri-party Master Agreement between York Region, YRRTC and Metrolinx was established in 2011 to guide the funding, implementation, ownership and operation of a provincial investment in a BRT program in York Region. The Master Agreement established the parties' roles, responsibilities, mutual expectations, and accountability mechanisms relating to the Program.

YRRTC obtained approval from its Board to enter into the Master Agreement in September 2009 and the overall budget, schedule and cash flow was approved by the Board in May 2010. York Region obtained approval from Regional Council to enter into the Master Agreement in February 2011.

The funded construction portion of the Phase Two BRT program has been completed

YRRTC's dedicated work functions related to project management for the Metrolinx BRT program were ramped down as construction was completed. Table 1 highlights when construction was completed on these segments (Attachment 1), however, there are still work functions related to property settlements and environmental work programs anticipated to continue to 2025 that need to be completed, in accordance with the Master Agreement.

Table 1 Phase Two BRT Projects and Completion

Project	Total Performance* Date
H3	September 2, 2016
D1	December 20, 2016
H2VMC	April 9, 2019
Yonge Street	October 8, 2021
H2WE	May 30, 2022

*Total Performance: rectification of all deficiencies

YRRTC worked with York Region to acquire partial and full properties along the rapid transit corridors

The acquisition of the properties along the BRT corridors was funded by Metrolinx, pursuant to the Real Estate Protocol, Schedule "B" of the Master Agreement.

The remaining environmental program and cash management functions will be transferred from YRRTC to York Region. Private Attachment 1 outlines remaining environmental work program activities, timelines and budget. Private Attachment 2 provides locations of the properties associated with the environmental work program.

4. Analysis

Phase Two BRT rapidway corridors are now commissioned and warranty work will be completed by end of 2022

All construction and warranty work along the Phase Two BRT corridors are complete, except for remaining warranty works on Yonge Street in Richmond Hill and Highway 7 in Vaughan which will be completed by end of 2022. York Region Public Works is engaged with YRRTC to ensure all warranty work is completed prior to transfer.

The Master Agreement requires YRRTC to provide Metrolinx with Project Close Out reports for all BRT projects

All project reports including Project Close Out reports supporting documentation and electronic files have been provided to Metrolinx for receipt/review.

A construction program reserve was established to collect any project construction savings and will be used for outstanding property settlements along constructed BRT corridors.

YRRTC is currently transitioning the cash management function of the property work program to York Region

Transition of the cash management function from YRRTC to York Region has commenced and training has occurred with Regional staff to ensure a smooth transition of the program and will be completed by end of June 2022.

YRRTC is currently transitioning the Phase Two BRT remaining environmental work program activities and cash management functions to York Region

With construction of the Phase Two BRT corridors complete, the remaining environmental work program will be transferred to York Region. This transition, taking place over 2022, has commenced with Regional staff to ensure smooth transition of the program and YRRTC staff resources are supporting the transition of the environmental work program. **This work involves site investigations, risk assessment and mitigation along with Project Close Out reports for six sites**; it also involves post-construction program-wide risk assessments for three BRT contract areas.

Under the Master Agreement York Region is jointly and severally responsible for YRRTC's obligations under the Agreement and York Region is able to assume such obligations going forward

Metrolinx has confirmed York Region will assume all of YRRTC's obligations under the Master Agreement going forward. Metrolinx's agreement is based on a provision in the

Master Agreement whereby York Region is jointly and severally responsible for YRRTC's obligations. Accordingly, there is no requirement to amend the Master Agreement to give effect to York Region's assumption of all YRRTC's obligations under the Agreement.

5. Financial

Responsibility for the approved Metrolinx budget for the property and environmental work programs will be transferred to York Region

The approved Metrolinx capital program budget of \$1.98B includes:

- Total property budget of \$375.5M,; and
- Total environmental budget of \$27M, (see Private Attachment 1)

The remaining budgets for both property and environmental works will be transferred to the Region.

Going forward, financial monitoring and reporting on the remaining property and environmental budgets will be the responsibility of York Region. The budget for this program will be reviewed annually through the Metrolinx process until the entirety of the program is complete. Metrolinx has agreed resources required to manage these work functions will be funded through these respective budgets. Direct meetings between Metrolinx and York Region will be held to confirm budget and work scope.

6. Local Impact

Some of the remaining work may have local impacts and require staff to meet with affected residents and businesses. The full land parcel takings are located adjacent to existing residential properties while the strip widening parcels, located within the Region's new right-of-way are adjacent to the frontages of commercial and residential uses. Regional staff will continue to ensure property owners are informed of any work that may affect their property.

7. Conclusion

As BRT construction was completed for the Metrolinx Phase Two BRT program, YRRTC's dedicated work functions related to project management were ramped down. However, there are still work functions related to property settlements and environmental work programs described in the Master Agreement that are anticipated to continue to at least 2025.

This report therefore seeks Council endorsement of the transfer of the Phase Two BRT property acquisition and environmental work programs and associated cash management functions from YRRTC to York Region.

For more information on this report, please contact Bruce Macgregor, Chief Administrative Officer at 1-877-464-9675 ext. 71200. Accessible formats or communication supports are available upon request.



Approved for Submission:

Bruce Macgregor
Chief Administrative Officer

June 28, 2022

Attachments (1)

Private Attachments (2)

eDOCS # (13941756)