

BOARD OF DIRECTORS

- DATE OF MEETING:** April 10, 2019
- TIME OF MEETING:** 10:00 a.m.
- PLACE OF MEETING:** Union Station West Wing
97 Front Street West
Toronto, Ontario M5J 1E6
- J. Robert S. Prichard, 4th Floor
- CHAIR:** Don Wright (from 12 p.m.)
- PRESIDENT & CEO:** Phil Verster (from 12 p.m.)
- MEETING SECRETARY:** Alba Taylor, Senior Legal Counsel and Corporate Secretary
- MEMBERS PRESENT:** Kathy Bardswick
Bryan Davies
Janet Ecker (from 2 p.m.)
Luigi Ferrara
Anne Golden
Michael Kraljevic
Emily Moore
Reg Pearson
Robert Poirier
Clio Straram
Paul Tsaparis
- REGRETS:** None
- OTHERS PRESENT:** Mark Childs, Chief Marketing Officer
Matt Clark, Chief Capital Officer (A)
Annalise Czerny, Executive Vice President, PRESTO
Helen Ferreira-Walker, Chief Human Resources Officer
Jennifer Gray, Chief Financial Officer
Greg Percy, Chief Operations Officer
Heather Platt, Executive Vice President and General Counsel
Jamie Robinson, Chief Communications & Public Affairs Officer (A)
Leslie Woo, Chief Planning & Development Officer

Peter Zuk, Chief Programs Officer, Special Programs
Michael Fedchyshyn, Senior Vice President, Transit Oriented
Development Program
Lorraine Huinink, Vice President, Corporate Real Estate
Calvin Carr, Director, Product Delivery
Ken Kuschei, Director, Customer Insights
Steve Naylor, Director, Marketing Account Management &
Operations
Michael Norton, Director, Business Strategy & Land
Development
Debbie Ovsenny, Director, HR Services, Technology and
Analytics
Trevor Geach, Legal Counsel
Maureen McLeod, Manager, Customer Analytics
Nadine Navarro, Stations Program Sponsor
Antoine Belaieff, Fare Integration Sponsor

CLOSED SESSION

1. Strategic Objectives

On behalf of the Chair, Vice Chair Bryan Davies called the meeting to order at 10:00 a.m. The Vice Chair confirmed there was quorum and that the required notice of the meeting as stipulated under the By-Law of the Corporation had been sent.

No conflicts of interest were declared.

The Senior Management Team (“SMT”) presented the 2019/2020 Strategic Objectives, including changes to the strategic objectives and key performance indicators (“KPI”) since last year. Staff described the ongoing development of a “culture of measurement” - enabling the organization to track annual progress against corporate KPIs, and to leverage strategic objectives and KPIs to drive performance. Customer satisfaction, employee engagement, and safety are key KPIs to focus on this year. The strategic objectives will also be used to guide business plan development for the year.

The Board discussed its role in corporate strategy including how and when the Board should be engaged, opportunities to consider larger policy questions (such as planning, growth, environmental goals, sustainability, etc.), and the Board’s role with respect to the strategic objectives.

The Board considered various challenges facing Metrolinx’s plans including new transit and transportation models (such as microtransit), growing asset and

infrastructure maintenance costs, and service delivery options.

The Board asked how the strategic objectives fit within the corporation's other strategic documents such as the Regional Transportation Plan ("RTP"). Staff described how the strategic objectives reflect the goals of the RTP, and how the KPIs can be used to measure Metrolinx's progress. The Board recommended that links between the strategic objectives and Metrolinx's longer term strategies be clarified. Communications plans for Metrolinx's strategies should seek to leverage the opportunity to simplify Metrolinx's plans and objectives in a manner that also describes Metrolinx's continued importance and relevance. Finally, the Board requested that any communication plans should be shared.

2. Approval of Minutes

RESOLVED:

THAT the minutes of the Board of Directors meetings of February 7, 2019 and March 1, 2019 be approved.

Carried

3. Business Items

3.1 PRESTO Contract

Annalise Czerny, Executive Vice President, PRESTO, presented a contract amendment request for the PRESTO device refresh program. The amendment is required to facilitate continued service delivery. However, specifications have been developed with a view to PRESTO's future. The Board considered the current PRESTO architecture and infrastructure, recent industry developments, and the procurement strategy to facilitate greater service options and a broader vendor base. Staff confirmed the PRESTO Subcommittee had reviewed and approved the recommended approach, and that the required funds were within the program budget.

Staff described what other transit operators are doing in the transit payment space.

[Redacted: Economic and Other Interests]

3.2 Customer Wi-Fi Solution

Mark Childs, Chief Marketing Officer, presented a contract approval request for the proposed customer Wi-Fi solution. Staff highlighted key benefits of the proposal

including customer satisfaction and loyalty impacts, and the opportunity to leverage the system for operational needs and offset operational costs.

The Board asked about the service specifications and expected service levels, and the risks if customer expectations are not met. Staff described the contractual and functional measures that will be put in place to help mitigate these risks including service redundancy and equipment options. Results from the pilot have also been used to help plan the service offering and requirements.

[Redacted: Advice to Government]

RESOLVED:

THAT, as described in the Chief Marketing Officer's April 10, 2019 report, Metrolinx is authorized to enter into an agreement with Icomera US, Inc. or its affiliates for the provision of a Customer Wi-Fi solution on GO Transit and UP Express **[Redacted: Economic and Other Interests]**

Carried

4. I&IT Support Services Update

Sandy Linke, Chief Information Officer (A), provided an update on the I&IT Programs and Managed Services procurement strategy and the revised procurement and approval approach for the related project bundles.

5. TOD Implementation Framework

Leslie Woo, Chief Planning & Development Officer, Lorraine Huinink, Vice President, Corporate Real Estate, Michael Fedchyshyn, Senior Vice President, Transit Oriented Development Program, Infrastructure Ontario, Michael Norton, Director, Business Strategy & Land Development, Spencer Gibbens, RER Head Sponsor, Benefits Management, and Nadine Navarro, Stations Program Sponsor, presented an update on the Transit Oriented Development (TOD) Program.

Staff provided an overview of the proposed program, and described how current market forces and conditions uniquely support the establishment of the program at this time. These include consolidation of financing capacity, the scale of the transit infrastructure investment, the maturity of the development industry in the GTA, and the level of government support for a market driven approach. The four guiding principles for the program are: fair exchange of value; increased transit ridership; improved customer experience; and city building.

The Board asked about benchmarking, how Metrolinx chose its framework and areas of focus, the solicitation and intake process, and how procedural fairness and opportunity may be reflected in fair exchange of value.

The Board identified community engagement as a necessary principle for the TOD program. In addition, the Board asked that the program framework be revised to more expressly reference design excellence, local planning coordination, and maximization of use and value for Metrolinx.

The Board discussed the balance between realizing near- to mid-term benefits while opportunities are present, and impacts to long-term planning and city building. The Board noted that as modes and methods of transit, living, and consumer behaviour change, staff must also consider what is to come and what will serve riders best in the future.

Finally staff briefly described the proposed TOD Advisory Panel to support program governance. The Board asked staff to consider a structure that ensures both the Metrolinx and Infrastructure Ontario Boards have an opportunity to review proposed transactions.

WHEREAS the Chief Planning & Development Officer has prepared the report, dated April 10th 2019 entitled, "Transit Oriented Development Implementation," (the "Report");

RESOLVED THAT, as described in the Report and subject to any further amendments, the Board approve the proposed TOD policy (Appendix D), including Guiding Principles, Objectives, and Strategic Approach;

AND THAT the Board support staff in developing the establishment of a TOD Advisory Panel as outlined in this Report and report back on recommended composition and terms of reference on May 15, 2019.

Carried

PUBLIC SESSION

6. Call to Order and Remarks by Chair

Chair Wright called the meeting to order at 1:00 p.m.

The Chair confirmed there was quorum and that the required notice of the meeting as stipulated under the By-Law of the Corporation had been sent.

Chair Wright acknowledged that the Board of Directors was meeting on lands traditionally occupied by Indigenous People and expressed his respect, in particular for the Mississaugas of the Credit, the Haudenosaunee, and the Huron-Wendat as the original keepers of this territory.

7. Safety Moment

Helen Ferreira-Walker, Chief Human Resources Officer, reviewed safety and security measures and led the group in a safety moment.

8. CEO's Report

Phil Verster, President and Chief Executive Officer, provided an update on corporate KPIs, completed and planned service changes, the TOD program, the Hamilton LRT property acquisition program, and the recent announcement of Metrolinx and Infrastructure Ontario's development of the Ontario Line and several other provincially-funded subways.

The following individuals were recognized for outstanding service and safety contributions:

1. Don Wright recognized Pat Hegarty, Colleen Watt, Soodabeh Farsijani and Maureen Amodio who represented the Metrolinx team that completed the CN Tower Stair Climb this year. The team was awarded for being the largest public climb team. Ian McNeil was also congratulated in absentia for his team leadership over the last several years.
2. Emily Moore presented a letter of recognition to Scott Shaw, Superintendent at Cedarvale Station, recognizing the Cedarvale Station project team for having achieved a full 365 days without injury.
3. Robert Poirier presented a letter of recognition to Suganthi Lem, Manager, Bus Infrastructure. Suganthi represented the team that worked on the Kitchener Bus Facility, which received LEED Gold Certification.
4. Luigi Ferrara presented a letter of recognition to Sergeant Jessica Langley, Inspector Craig O'Neill, Corporate Security Specialist Sean Carson, and Transit Safety Officer Fatih Kilic for working jointly with the Peel Regional Police to apprehend a man accused of sexually assaulting five women.

9. By-law Changes

Leslie Woo, Mark Childs, Antoine Belaiëff, Fare Integration Sponsor, and Ken Kuschei, Director, Customer Insights, presented proposed GO fare changes and related by-law revisions.

The Board discussed GO Transit-TTC pricing for short distance trips, GO Transit services value proposition, factors contributing to fare costs including fuel and operating costs, and internal programs to help manage these costs including energy efficiency programs and fuel hedging.

RESOLVED:

THAT as described in the Chief Marketing Officer and Chief Planning and Development Officer's April 10, 2019 report (the "Report"), effective April 20, 2019 By-law No. 2A be revised to update the Tariff of Fares, which sets out the fares to be charged on the GO Transit system for travel between identified points or fare zones, and reflect the changes to the GO Transit fares and zones described in the Report;

AND THAT By-law No. 2A be repealed and replaced with By-law No. 2A attached to the Report at Appendix C, subject to staff including a new Tariff of Fares reflecting the introduction of the new fares and fare zones described in this Report, subject to any minor adjustments required;

AND THAT the Chairman and Secretary be authorized to sign the By-law;

AND THAT PRESTO fares be adjusted to reflect a single ride ticket PRESTO discount of approximately 16%, as described in the Report, subject to any minor adjustments required.

Carried

10. Ridership

Ken Kuschei and Maureen McLeod, Manager, Customer Analytics, presented a report on observed ridership drivers from April 2018 to January 2019. Staff described the insights afforded by measuring the ridership impacts of new and revised services and external factors such as weather incidents and special events. This information is also used for continuous improvement, such as the lessons learned on the Kitchener service expansion.

The Board discussed UP Express ridership growth, performance, customer

experience and customer satisfaction, and expected future ridership growth opportunities.

11. LRT Station Naming

Leslie Woo, Jamie Robinson, Chief Communications and Public Affairs Officer (A), and Toban Allison, Senior Advisor, Wayfinding, presented the proposed new station and stop names for the Finch West and Hurontario LRT projects. Staff confirmed that the proposed names are consistent with Metrolinx's naming protocol for transit projects, stations and stops, which seeks to protect wayfinding, avoid duplication of stop names, and enhance rider navigability. The proposed names have also been validated through a municipal and community consultation process

WHEREAS Metrolinx employs a formal naming protocol for transit projects, stations and stops;

AND WHEREAS Metrolinx staff have undertaken a comprehensive assessment and consultation on the matter of station and stop naming for the Finch West and Hurontario LRT projects;

RESOLVED THAT the recommended names outlined in this report entitled "Stop Names for Hurontario and Finch West LRTs" be approved.

Carried

12. TOD Implementation Framework

Leslie Woo, Michael Norton, Lorraine Huinink, and Michael Fedchyshyn presented an update on the Transit Oriented Development Program. Staff acknowledged recommended revisions to the TOD principles based on earlier Board discussion, including: incorporating design excellence; city building; community engagement; and collaboration with local municipal planning. Staff described program progress such as portfolio segmentation, market solicitation for new GO, and the objective to have deal structures that can to offset capital costs as well as long and short term revenue opportunities.

The Board discussed its own engagement on transactions, and criteria important to the Board, including alignment with the Metrolinx business plan, effect on ridership, and opportunities for deriving community development benefits.

The Board asked staff to think about property dispositions versus retention, since retained property ownership offers Metrolinx the opportunity to help manage public

benefits. The Board also discussed how developers could be encouraged to drive innovation and creativity.

The Board asked how project partners will be screened, and how value for money and expected benefits will be documented confirmed. The Board emphasized the importance of community consultation and engagement.

Staff described the integrated team approach that includes both Metrolinx and Infrastructure Ontario staff, and the proposed program governance framework which will provide the Metrolinx Board with final decision-making authority, while benefitting from program oversight on deals, contracts and transactions from the Infrastructure Ontario Board. The Board discussed how Metrolinx will grow internal skill and capacity to deliver on the program, through learning by doing and building up the appropriate systems and controls.

To assess potential risks and mitigation measures, the Board asked staff to conduct some analysis on impacts to similar projects that experienced a period market downturn.

WHEREAS the Chief Planning & Development Officer has prepared the report, dated April 10th 2019 entitled, "Transit Oriented Development Implementation," (the "Report"):

RESOLVED THAT, as described in the Report and subject to those amendments to the Guiding Principles requested by the Board, the Board direct staff to advance the TOD Program, including the proposed Guiding Principles, Objectives and a Strategic Approach;

AND THAT the Board direct staff to report back on the status of the TOD Program on a regular basis.

Carried

13. CEO/Board In Camera Session

The Board met in the absence of staff other than the President and Chief Executive Officer.

14. Organizational Development

[Redacted: Advice to Government]

EXECUTIVE SESSIONS

15. Executive Session

The Board held an executive session in the absence of staff other than the CEO.

15.1 Employee Performance

Helen Ferreira-Walker and Debbie Ovsenny, Director, HR Services, Technology and Analytics, presented the Employee Performance report.

[Redacted: Labour Relations]

15.2 HRCC Chair Appointment

RESOLVED:

THAT Reg Pearson be appointed Chair of the Human Resources and Compensation Committee and that Kathy Bardswick remain as a member of the Human Resources and Compensation Committee, effective April 10, 2019.

Carried

16. Executive Session

The Board held an executive session in the absence of staff.

17. Adjournment

There being no further business before the Board of Directors, the meeting was adjourned at 3:45 p.m.

Carried

Don Wright, Chair

Alba Taylor, Secretary

c/s