

To: Metrolinx Board of Directors

From: Andrew Hope
Chief Capital Officer (Rapid Transit)

Date: December 1, 2022

Re: Capital Projects Group (Rapid Transit) Quarterly Report

This report addresses activity and performance data for capital projects overseen by CPG (Rapid Transit) from Q2 of FY 2022-23 (July 1 to September 30, 2022) while incorporating some ensuing developments where appropriate.

Project Updates

- The Finch West Light Rail Transit project had a total of eight vehicles delivered to the Maintenance and Storage Facility (MSF) in July, and two vehicles completed testing and “burn-in” at Kingston and on the guideway. In August, two more vehicles were delivered to the MSF. In September, the concrete structure works at Finch West station and the below-grade Humber College stop were completed.
- Work on the Eglinton Crosstown LRT this quarter continued to focus on late-stage activities at stations and stops. In July, completed works included exterior glazing installation at the main entrance of Chaplin Station, and landscaping for both entrances at Oakwood Station. In August, permanent traffic signals were completed at several stations, including Fairbank, Laird and Oakwood. Occupancy approval was received from the City of Toronto for the Sunnybrook Park and O’Connor stops in September.
- In July, the Eglinton Crosstown West Extension (ECWE) saw the second of two tunnel boring machines (TBMs), Rexy, commence digging from Renforth Drive towards Scarlett Road. Rexy and counterpart Renny will construct approximately 6 km of twin-bore tunnel as part of the Advance Tunnel 1 package.
- On the Yonge North Subway Extension, Black & McDonald Limited was confirmed as the successful bidder to complete upgrades at Finch Station. This package of upgrades at Finch Station are needed before the start of major construction on the extension and will help keep the project running smoothly. These include changes to the existing tail track area, beyond the subway platform, to prepare it to become part of the main subway line.
- In September, Metrolinx and Infrastructure Ontario announced the Preferred Proponent teams to deliver the South Civils and Rolling Stock, Systems, Operations and Maintenance (RSSOM) contracts for construction of the Ontario Line. The Preferred Proponent team for the South contract is Ontario Transit Group, and Infrastructure Ontario and Metrolinx reached financial close and awarded the contract in early November.

Quarterly Performance Data

Safety

- The Lost Time Injury Frequency Rate (LTIFR) for contractors working for CPG (Rapid Transit) at the end of the quarter was 0.042, up from 0.021 at the end of the previous quarter. This is a result of two lost time injury incidents this quarter, one on the Eglinton Crosstown LRT and one on the Hurontario LRT.
- The Total Recordable Injury Rate (TRIR) includes lost time injuries, critical injuries, and external medical care incidents. The Ontario Workplace Safety and Insurance Board target for TRIR is 4.76, and in March of this year, a Metrolinx target was introduced, which seeks to reduce the TRIR by 15% over the course of 2022-23 fiscal year. As of the end of this quarter, the TRIR is 2.36 for CPG (Rapid Transit).

Financial

A summary of major capital project incurred costs for Rapid Transit is shown in Table 1.

Beginning with this quarterly report, Metrolinx has revised how it reports these figures so there is a consistent process to initially omit and then disclose portions of approved project budgets that are subject to large, active procurements, and transparently identify where these exclusions have been made. This is intended to provide greater visibility into the portions of approved project budgets where costs are being actively incurred that are not subject to these considerations, while ensuring the public can obtain competitive pricing for the remainder.

Of note, costs associated with the two major Ontario Line packages awarded in November are omitted from the below Q2 figures but will be reported in Q3, while projects such as the Hamilton LRT are reported with considerably lower baselines than their approved budgets due to being in the design and planning phase.

Table 1: Program Overview: Incurred Costs to September 30, 2022*

| | Current Baseline less Exclusions (\$M) | Incurred Costs to date (\$M) | Incurred Costs this quarter (\$M) |
|-----------------------------------|----------------------------------------|------------------------------|-----------------------------------|
| Eglinton Crosstown LRT | \$12,571 ^a | \$8,577 | \$77 |
| Finch West LRT | \$3,433 ^a | \$1,746 | \$57 |
| Hurontario LRT | \$5,632 ^a | \$1,588 | \$98 |
| Eglinton Crosstown West Extension | \$1,907 ^b | \$675 | \$67 |
| Ontario Line | \$4,732 ^b | \$1,679 | \$280 |
| Scarborough Subway Extension | \$3,134 ^b | \$696 | \$70 |
| Yonge North Subway Extension | \$1,456 ^b | \$181 | \$22 |
| Hamilton LRT | \$178 ^b | \$11 | \$4 |
| GO Bus Infrastructure | \$485 | \$414 | \$1 |

All figures are reported in year-of-expenditure dollars and are not directly comparable with those in other contexts expressed as nominal dollars. Similarly, figures encompass full project implementation costs (i.e. including elements such as property, owner's project management & professional services costs and private financing where relevant) and are not directly comparable to figures provided in other contexts for construction costs or the value of major contract(s).

^a Includes long-term P3 financing, lifecycle, operating and maintenance costs over concession term as applicable per each respective Project Agreement.

^b **Value does not reflect the full project cost.** Project includes one or more large contracts awaiting procurement or award. To obtain the best value from the market, the published baseline value omits the portion of the approved project budget allocated to these contracts. The baseline will be updated to disclose the associated project budget upon award, before corresponding costs begin to be incurred.

Respectfully submitted,

Andrew Hope
Chief Capital Officer (Rapid Transit)

*ERRATA: A version of this report circulated prior to the Board meeting on November 23, 2022 contained a clerical error. In Table 1, 'Incurred Costs to date' values for three LRT projects from Q1 were inadvertently printed instead of the correct Q2 values. These have been corrected in this version, published on December 1, 2022.