

Ministry of
Transportation

Office of the Minister

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Ministère des
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J. Robert S. Prichard
Chairman of the Board of Directors
Metrolinx
97 Front Street West, 2nd Floor
Toronto, Ontario
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Dear Mr. Prichard:

I am pleased to write to you in your capacity as Chair of Metrolinx. Metrolinx's role is critical in building and expanding the regional transit network, providing high quality service to meet the needs and expectations of its customers, today and tomorrow.

Metrolinx has achieved significant progress in delivering on its mandate in recent years, including: the completion of the Eglinton Crosstown Light Rail Transit (LRT) tunnel; the official grand opening of the Davis Drive VIVA bus rapidway; achieving PRESTO device availability across the Toronto Transit Commission (TTC) network a full year ahead of schedule; and introducing a fare discount when transferring between the TTC and GO Transit or Union Pearson Express, bringing us closer to regional transit integration. Metrolinx also introduced new service and destinations to GO Transit customers, including: providing all-day train service on the Barrie GO line, seven days a week; doubling GO train service to and from Kitchener; expanding GO bus service to Cambridge and Brantford; adding new rush hour trips for riders on five GO train lines; and, extending the Richmond Hill GO rail corridor north to the new Gormley GO station. These accomplishments are an important step forward in building a regional transit network for the people of the Greater Toronto and Hamilton Area (GTHA).

As an agent of the Government of Ontario, Metrolinx has a very important mandate to deliver on the vision, plans, and commitments made by the province, particularly as it relates to inter-regional transit. The province is making historic investments in public transit and transportation. Metrolinx has been entrusted to lead the design and delivery of key rapid transit projects, including GO Regional Express Rail (RER), which will help transform the transportation system in the GTHA.

The trust held by the public we serve must be maintained and continuously earned. The province expects the Ministry of Transportation (MTO) and Metrolinx to continue to work together – with MTO establishing policy, priorities, and budgets, and with Metrolinx leading the delivery on the ground with our municipal and service partners. Together we will ensure that transit decisions are made based on best available information and are always made in the interest of the public.

To this end, I continue to expect Metrolinx to work closely with MTO officials as we proceed to deliver on this ambitious agenda for the people of the region and the province.

Per the Agencies and Appointments Directive (AAD), ministers are required to issue annual mandate letters to the provincial agencies for which they are responsible. This accountability measure helps Ontario increase the public's knowledge and awareness of agency mandates and government priorities, and further promotes the principles of openness and transparency. Pursuant to the AAD, this letter sets my expectations for Metrolinx for the 2018-19 fiscal year, including priority actions and agency performance as follows:

Delivery on the Agency's Top Infrastructure Priorities: GO Regional Express Rail, Rapid Transit Projects, and Other Next Generation Transit Investments

- Continue to expand and optimize the GO Transit network by implementing GO RER by 2024-25:
 - Work with MTO and Infrastructure Ontario (IO) to advance procurement planning for the GO RER program to support the integration of GO RER, GO State of Good Repair, and GO Optimization and Expansion capital projects;
 - Continue to proceed with early works, in partnership with IO, planned or underway – for example, station and parking facility improvements, grade separations, infrastructure rehabilitation, and other works – to enable the planned GO RER service levels;
 - Work with MTO and IO to advance planning and procurement for on-corridor and off-corridor infrastructure works required to support the implementation of GO RER;
 - Advance the study of the feasibility and the application of the use of hydrogen fuel cells as an alternative technology for electrifying core segments of the GO rail network, including the Union Pearson Express;
 - Implement GO rail and bus service improvements in support of GO RER;
 - Work with municipal partners to support the implementation of new GO stations as part of the GO RER program; and,
 - Integrate, in partnership with the City of Toronto, the city's SmartTrack proposal with the broader GO RER program.

- In partnership with MTO and IO, continue to advance procurement of the Hurontario and Hamilton LRT projects, while working with the cities of Mississauga, Brampton, and Hamilton, and the Region of Peel, to integrate regional and local transit needs.

- In partnership with respective municipalities, advance planning and early design and engineering work for other priority projects identified in the Metrolinx Regional Transportation Plan (RTP), including the Durham-Scarborough Bus Rapid Transit (BRT) project, the Relief Line, and the Yonge North Subway Extension.

- Finalize agreements with Canadian National Railway (CN Rail) and Canadian Pacific Railway (CP Rail) to establish coordinated schedules and infrastructure requirements for extended GO rail services between Hamilton and Niagara Falls, and between Oshawa and Bowmanville, respectively, including:
 - Initiate the planning and design work to implement both of these expanded GO rail services; and,
 - As a step toward implementing GO rail service between Hamilton and Niagara Falls, continue to advance the construction of the new Confederation GO Station in Hamilton.

- Advance work for a proposed new freight by-pass in order to allow for increased GO rail service to Kitchener, including:
 - Continue to advance planning, design, and technical analysis to support negotiations with CN Rail, and finalizing an agreement that will enable enhanced GO rail service between Toronto and Kitchener.

- Collaborate with MTO in the development of Ontario's high-speed rail (HSR) program throughout the design and environmental assessment process, to provide for an integrated high-speed rail service on the GO rail Kitchener corridor, at Union Station and other HSR stations.
 - This includes defining the infrastructure requirements to support up to 250 km/h service, and integrated service planning with GO rail service.

- Ensure transparency to the public and regional transit customers on the progress of GO RER and LRT projects by supporting the government's development of web-based reporting on the status of each project, including approvals, planning, and construction.

Continue Delivery on Other Key Priority Regional Transit Projects, PRESTO, and GO Transit Services

- In partnership with IO and/or respective municipalities, continue to advance the design, procurement, and delivery of regional transit projects in the City of Toronto and York Region, including:
 - *Eglinton Crosstown LRT*: Continue construction work towards a completion date of 2021;
 - *Finch West LRT*: Complete the procurement process and execute a Project Agreement with the successful proponent to design, build, finance, and maintain the project;
 - *Sheppard East LRT*: Advance procurement planning for the project to allow procurement to follow the Finch West LRT; and,
 - *York VIVA*: Continue progress on the construction of rapidway segments to complete all segments by 2020.

- Complete the roll-out of PRESTO throughout the TTC network, including:
 - Deliver enhanced business functionality and upgrades throughout the 2018-19 fiscal year;
 - Continue to strengthen and maintain PRESTO system reliability to meet customer expectations; and

- Continue to transition customers from legacy fare media to PRESTO, increasing adoption throughout the TTC.
- Explore further opportunities to provide enhanced GO bus connections across the GO rail network for communities in the region.
- Continue to invest in parking infrastructure rehabilitation and expansion at new and existing GO stations to improve customer access and experience.
- Maintain high quality GO Transit and Union Pearson Express service, including meeting or exceeding targets for customer experience and ridership growth.
- Recognizing that Union Station remains the most significant transportation hub in the region, and that it will be required to ensure the future success of GO Transit and GO RER operations, continue working on the necessary planning to assess the capacity needs of Union Station, including working with MTO on how Union Station will accommodate future HSR service.

Support Government Initiatives to Optimize the Regional Transit Network

- In recognition of the significant provincial investments in new rapid transit projects and services in the region, support the government and collaborate with MTO in working with our municipal partners to establish appropriate cost-sharing arrangements on grade separations, and the operating and maintenance costs of these projects.
- Continue to support government and collaborate with MTO in developing a long-term strategy for regional fare integration. This includes:
 - Identifying implementation considerations and designing a plan to ensure ongoing engagement with our municipal partners, in order to allow for a seamless and transparent fare system; and,
 - At the same time, continuing to examine incremental approaches to regional fare integration that involve a step-by-step identification of major barriers to a seamless travel experience throughout the GTHA. As a priority:
 - Implement a reduced GO Transit base fare of \$3.00 for PRESTO users taking short-distance trips across the GO network and within the City of Toronto boundaries, including travel between Union Pearson Express stations within the city; and,
 - Work with municipal partners to introduce a transit fare discount for PRESTO users whose daily travel includes transfers between the TTC and the “905” municipal transit systems (i.e., York Region Transit, Mississauga’s MiWay, Brampton Transit and Durham Region Transit).
- Continue to support the government and collaborate with MTO on initiatives that enable and improve access to the regional transit network – including through innovative alternatives to “first-mile, last-mile” connections – to support GO RER and other provincial transit investments.

- Building on the experience of the Toronto Transit Projects Community Benefits Program, continue engaging community groups, agencies, and other stakeholders to ensure provisions for a Community Benefits Program are included as part of project procurement for future transit infrastructure projects, including GO RER and the Finch West, Hurontario, and Hamilton LRT projects, to provide economic and social benefits for local communities, and local supplier and social procurement opportunities, where possible.

Support the Government's Transportation Planning Priorities

- Working with MTO and other ministries, complete the 2041 update of the RTP, with a focus on the implementation of the aforementioned infrastructure and service priorities, to guide the agency's work, ensuring that the 2041 RTP:
 - Is informed by municipal and community stakeholder engagement;
 - Is aligned with and supports provincial transportation plans, programs and policies; and,
 - Integrates local transit priorities, while balancing regional transit considerations.
- Continue supporting and working with MTO on its multi-modal transportation plan for the Greater Golden Horseshoe (GGH).
- Support MTO in its work with Transport Canada and Infrastructure Canada to consider the Greater Toronto Airports Authority's proposal for the development of a multi-modal transportation facility at Toronto Pearson International Airport, within the context of the ministry's multi-model transportation plan for the GGH and other provincial infrastructure priorities and interests.

Strengthen Accountability and Finance

In implementing the projects and initiatives listed above, Metrolinx will ensure value-for-money, and meet accountability and transparency best practices, as set out in Metrolinx's response to the 2016 Letter of Direction (LOD).

Metrolinx has already implemented or initiated a number of strategies that will enhance the optimization of resources and MTO oversight, per the LOD Final Report, such as implementing a reporting process to MTO on key performance indicators, and revising the approval process for promotional marketing and sponsorship agreements. Metrolinx should continue to work with MTO to ensure the ongoing provision and implementation of robust reporting on Metrolinx's finances and corporate performance, including:

- Manage agency expenditures according to the government's fiscal objectives and priorities, strengthening third party contracts, focusing public funds on front line services, and ensuring timely project delivery that enables value-for-money, while minimizing growth in non-front line expenditures, where possible;
- Continue to develop and implement new reporting and processes, as committed in the LOD Final Report, including capital project status reporting;

- Continue to strengthen the quality and timeliness of standardized reporting to the ministry, per the MTO-Metrolinx Memorandum of Understanding and the LOD Final Report, including timely and accurate financial information that is aligned with government accountability directives and fiscal objectives;
- Implement and monitor a Vendor Performance Management system that will actively monitor (contractors' and consultants') performance, and provide regular feedback that will determine vendors' suitability for future bids;
- Building on the 2016 LOD, working with MTO to develop a "relationship management framework" that: builds upon the ongoing commitment to ministry-agency partnership; guides ministry-agency interactions; and identifies processes for improved ministry-agency collaboration, including information sharing, at both the strategic and operational levels, between both organizations; and,
- Continue to strengthen internal controls in order to provide assurance that the agency has an effective internal control framework in place, and that these controls support the integrity and reliability of financial reports.

Focus on our Customer: Safety, Security and the Customer Experience

Our customers demand timely and accurate information pertaining to Metrolinx new program decisions and GO Transit operations. As such, continue to work with MTO to determine the optimal methods to deliver this information that meets the needs of our customers.

Metrolinx and GO Transit are leaders in operating safety and security. As the number one priority in your operations, continue striving for areas to improve the safe access for the hundreds of thousands of GO customers that rely on our services each and every day.

In conclusion, MTO and Metrolinx will continue to support building an integrated transit network across the GTHA, while ensuring exceptional regional transit service. Together, we will create the transit network commuters need and rely upon. I thank you for your willingness to serve and the Metrolinx Board's commitment to deliver more transit to the people of Ontario.

Sincerely,



Kathryn McGarry
Minister of Transportation

- c. Phil Verster, President & Chief Executive Officer, Metrolinx
Leslie Woo, Chief Planning & Development Officer, Metrolinx
Stephen Rhodes, Deputy Minister, Ministry of Transportation
John Lieou, Assistant Deputy Minister, Ministry of Transportation