

BOARD ANNUAL PLANNING AND OBJECTIVE SETTING MEETING

DATE OF MEETING:	April 26, 2018
TIME OF MEETING:	8:30 a.m.
PLACE OF MEETING:	Union Station West Wing 97 Front Street West Toronto, Ontario M5J 1E6 Peter R. Smith Boardroom, 4 th Floor
CHAIR:	J. Robert S. Prichard
PRESIDENT & CEO:	Phil Verster
MEETING SECRETARY:	Mary Martin, Executive Vice President, General Counsel and Corporate Secretary
MEMBERS PRESENT:	Upkar Arora Kathy Bardswick Rahul Bhardwaj Bryan Davies Janet Ecker Anne Golden Marianne McKenna Rose Patten (<i>teleconference morning closed session only</i>) Bonnie Patterson Howard Shearer Sharleen Stewart Carl Zehr
REGRETS:	Bill Fisch
OTHERS PRESENT:	Annalise Czerny, Executive Vice President, PRESTO (Acting) Helen Ferreira-Walker, Chief Human Resources Officer Greg Percy, Chief Operating Officer Judy Pfeifer, Chief Communications & Public Affairs Officer Mary Proc, Chief Customer & Marketing Officer (Acting) Robert Siddall, Chief Financial Officer Leslie Woo, Chief Planning & Development Officer Peter Zuk, Chief Capital Officer George Bell, Vice President, Safety and Security

Brian Guest, Lead, Commercial Integration
Jennifer Gray, Director, Strategic Business Planning & Enterprise Risk Management
Kelly Hagan, Director, Communications and Community Relations, GO Expansion (Acting)
Thom Hounsell, Manager, Product Management
Rajesh Khetarpal, Director, Stakeholder Relations, Communications and Public Affairs
Devon Khusial, Manager, Market Research
Andre Lalonde, Vice President, Transit Operations
Steven Levene, Program Sponsor, Freight and Extensions
Heather Platt, Senior Legal Counsel
Martin Powell, Project Director, Research & Planning Analytics
Stephen Rhodes, Deputy Minister, Ministry of Transportation
Jamie Robinson, Director, Communications and Community Relations, Rapid Transit
Alba Taylor, Sr. Legal Counsel & Associate Corporate Secretary

CLOSED SESSION

1. Metrolinx in 2025

Chair Prichard called the meeting to order at 8:30 a.m.

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

Phil Verster, President and Chief Executive Officer and the executive management team presented on Metrolinx in 2025. Staff discussed future goals and expectations for branding and marketing, customer satisfaction, safety and security, operational excellence, planning and project management, suppliers and vendors management, and assets and contracts management.

[Redacted: Advice to Government]

PUBLIC SESSION

2. Call to Order and Remarks by Chair

Chair Prichard called the meeting to order at 10:48 a.m.

3. Safety Awards

In recognition of the victims of the incident in North York on April 23, the Board held a moment of silence.

Phil Verster acknowledged the important safety efforts and achievements of the following individuals:

- (a) Matthew Azevedo and Fulvio Morales, Crosslinx Transit Solutions employees who stopped a young boy from running into the path of an oncoming vehicle;
- (b) Chris Knowles, Manager, Track Infrastructure, who helped remove a fallen tree from the Quaker service track ensuring uninterrupted service on the Richmond Hill line;
- (c) Station Attendant Lemontin Sardrood, and Transit Safety Officers Michael Song, Michael Skals, Michael Olsen, and Fatih Kilic, who performed lifesaving CPR efforts to revive an 80 year old man on UP Express; and
- (d) Aeron Soosaipillai, a customer who stopped a suicidal man on a bridge near the Scarborough GO Station.

Chair Prichard, Vice Chair Bryan Davies, Dr. Golden, Ms. Bardswick presented each individual with a safety award from Metrolinx.

4. Metrolinx in the Marketplace

Jamie Robinson, Director, Communications and Community Relations, Rapid Transit, and Devon Khusial, Manager, Market Research, presented the results of Metrolinx's annual market research on public perceptions and awareness of Metrolinx projects and services. The research informs several key performance indicators and will help guide future information, engagement and communication strategies.

Results reveal increasing familiarity with Metrolinx, and strong support for planning, projects and initiatives. There is also an increase in awareness of Metrolinx's expanded service and investments. Staff expect LRT project measurements to improve as well, following a recent marketing campaign. Finch and Hamilton have also been impacted by project delays and local debates over the projects respectively.

Staff acknowledged the results demonstrate the benefits of an integrated campaign strategy, that includes specific marketing, social media and community events. Staff confirmed that marketing efforts are being measured based on ridership return-on-

investment, with a goal of achieving a 3:1 rate of return. Staff believe awareness of Metrolinx's visual identity is also increasing.

5. Public Engagement

Judy Pfeifer, Chief Communications and Public Affairs Officer, Jamie Robinson, Rajesh Khetarpal, Director, Stakeholder Relations, Kelly Hagan, Director, Communications and Community Relations (A), GO Expansion, and Anthony Irving, Manager, Community Relations, described Metrolinx's public and community engagement strategies and activities and reviewed lessons learned on key projects such as the Crosstown Battery Backup project, Erin Mills Station (on the Mississauga Transitway), and the Davenport Diamond.

The Board noted the community's important contributions to the Davenport Diamond project, and the role of the Board in helping address community concerns by advancing and seeking input on design, all of which contributed to the successful completion of its environmental assessment.

Staff also described how community advisory committees are being established through the GO expansion environmental assessment process, and other innovative techniques implemented to increase engagement such as citizen panels and digital engagement through Metrolinx Engage.

6. PRESTO Mobile

Annalise Czerny, Executive Vice President (A), PRESTO, Karyn Allicock, Manager, Business Development, and Thom Hounsell, Manager, Product Management, demonstrated the PRESTO Mobile app and described the expected customer benefits. The PRESTO Mobile app will be developed and launched in phases, and will include account management and, ultimately, tap to pay by phone. The final phase will include journey planning and notifications. The first version of the app (with account management) is expected to launch by year end. Later phases are still being planned, and will need to be re-evaluated as the projects, technology, and customer needs evolve.

Staff acknowledged that open payment remains on PRESTO's roadmap, but will require a greater investment in new readers. Mobile payment can be implemented on current PRESTO device technology and will present customers with another payment option. Staff confirmed that PRESTO transit providers are also supportive of the move to a mobile app and mobile payment option in advance of open payment.

7. Fare Integration

Leslie Woo, Chief Planning and Development Officer, and Martin Powell, Project Director, Research & Planning Analytics, presented an update on Metrolinx's fare

integration strategy including implementation of the discounted double-fare on GO Transit/UP Express and the TTC. Although conditional on final approval, the 2018 Provincial budget contains a commitment to fund a fare discount for travel between the TTC and 905-area transit providers, and funding to support a reduced GO fare for short distance trips, including a \$3 fare within the City of Toronto. If approved in the budget, staff expect both measures would be implemented in 2019. Staff anticipate the reduced GO fare would increase ridership by 10-15%, and would help alleviate congestion on the subway system.

Staff confirmed that the GO expansion program has incorporate fare integration impacts. However, staff will monitor capacity and adjust services as necessary to meet demand.

Other fare and service integration activities remain underway including discussions on a longer-term fare policy for the region. Staff are developing an intragovernmental forum to also help advance these discussions and increase integration efforts.

CLOSED SESSION

8. CEO/Board In Camera Session

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

9. Call to Order and Remarks by Chair

Chair Prichard called the meeting to order at 1:45 p.m.

Chair Prichard welcomed Deputy Minister Stephen Rhodes, Ministry of Transportation, to the meeting.

Howard Shearer declared a conflict on Item 12 (Regional Express Rail Packages 1, 2, and 3) as a result of **[Redacted: Personal Privacy]**. Staff confirmed that Mr. Shearer did not receive a copy of the report. Mr. Shearer will also be recused from discussions related to this item.

There were no other conflicts of interest declared.

10. Budget Follow-up

Jennifer Gray, Director, Strategic Business Planning & Enterprise Risk Management, together with Andre Lalonde, Vice President, Transit Operations, Erin Moroz, Toronto Program Sponsor, and Matt Routely, Manager, Planning Analytics, presented a follow up on the 2018 Ontario budget.

[Redacted: Cabinet Records]

11. Freight Operators

[Redacted: Economic and Other Interests, Solicitor-Client Privilege]

12. Regional Express Rail (RER) Packages 1, 2, and 3

On account of his previously declared conflict, Mr. Shearer left the meeting room.

Brian Guest, Lead, Commercial Integration, together with Gord Troughton, Network Program Sponsor, Trevor Anderson, Union Station Program Sponsor, Nadine Navarro, Stations Program Sponsor, and Divya Shah, Infrastructure Ontario, presented the RER Delivery Strategy, focussing on key elements such as work planning and integration, interfaces between the procurement packages and risk mitigation strategies, financial structuring, and other innovations being implemented as part of the Package 3 operator procurement.

Staff outlined how learnings from the LRT projects and other industries (such as utilities) are being incorporated in current AFP documents. Staff described some of the financial benefits and risks arising from the proposed multi-phase financing approach to the operator procurement.

The Board discussed procurement, phasing and implementation timelines for various components of the RER program such as stations construction and on-corridor work. Staff described the challenges of procuring the work while also planning service increases, which will need to be incorporated in the procurement documents. Staff also described the flexibility needed in the future operator contract to be able to address changing customer needs. Finally, staff described how design excellence has been incorporated into the project planning and procurement approach. Staff described conflict of interest rules that have been adopted to account for industry consolidations.

The Board asked about the biggest risks arising from the proposed procurement approach. Staff described various actions and structures put in place to mitigate against these risks. Staff believe there will be sufficient market competition to respond to the operator procurement, but continue to monitor this closely and engage with key industry players. The Board discussed risks arising from the procurement timelines and reasons for related delays.

The Board confirmed staff's mandate to proceed. Staff confirmed business case analysis is underway and is expected to appear before the Board in the fall. The results of the RFQ currently in-market will also be reported to the Board.

EXECUTIVE SESSIONS

13. Executive Session

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

14. Executive Session

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

15. Adjournment

There being no further business before the Board of Directors, the meeting was adjourned at 5:15 p.m.

Carried

J. Robert S. Prichard, Chair

Alba Taylor,
Associate Corporate Secretary

c/s