

3. LIGHT RAIL PILOT PROJECT: PROGRESS REPORT NO. 5

COMMITTEE RECOMMENDATION

That Council receive this report for information.

DOCUMENTATION

1. Planning and Development Approvals Commissioner's report dated 1 June 1999 is immediately attached.
2. Extract of Minute, Transportation Committee, 16 June 1999, immediately follows the report and includes a record of the vote.

REGION OF OTTAWA-CARLETON
RÉGION D'OTTAWA-CARLETON

REPORT
RAPPORT

Our File/N/Réf. 48-95-0084
Your File/V/Réf.

DATE 1 June 1999

TO/DEST. Co-ordinator
 Transportation Committee

FROM/EXP. Planning and Development Approvals Commissioner

SUBJECT/OBJET **LIGHT RAIL PILOT PROJECT: PROGRESS REPORT NO. 5**

DEPARTMENTAL RECOMMENDATION

That the Transportation Committee and Council receive this report for information.

INTRODUCTION

This is the fifth in a series of updates on behalf of the Light Rail Pilot Project Steering Committee. It summarizes progress made on the pilot project since December 1998, with a particular focus on the status of negotiations with Canadian Pacific Railway (CPR).

DISCUSSION

On 9 September 1998, Regional Council granted a number of approvals pertaining to the Light Rail Pilot Project, including the following:

3. The negotiation with Canadian Pacific Railway and/or appropriate partners, for approval by Council, of a public-private partnership agreement for light rail pilot project implementation and operation, based on the principles contained in Annex D, with capital costs not exceeding a present value of \$16 million, and with annual operating costs not exceeding system-wide average operating costs for equivalent ridership levels.

Staff recommended that the first step leading to such an agreement would be the mutual approval of a memorandum of understanding (MOU). The approved MOU would then guide the final pilot project design and the development of formal business arrangements.

In December 1998, Council subsequently approved with modifications a draft MOU that was then signed by the Region and CPR. Council also directed that a final agreement was to be brought to

Council for approval during the spring or summer of 1999, and was to identify both the precise nature of the proposed light rail pilot project, and the terms and conditions (fiscal, legal, etc.) under which the parties would become partners in its implementation.

Since December 1998, Regional and OC Transpo staff have been working intensively to help CPR develop a satisfactory pilot project proposal, and to negotiate a detailed business agreement. Throughout that period there have been productive discussions with a number of stakeholders (e.g. Transport Canada, OC Transpo, Carleton University, Regional Police) that have been useful in defining the pilot project and developing greater confidence with respect to costs.

Without wishing to compromise negotiations through undue public disclosure of sensitive business issues, it may be acknowledged that CPR's pilot project proposal in its current state would exceed the capital and operating cost envelopes approved by Council in the MOU. However, we are endeavouring to explore with CPR all reasonable means of reducing those costs without compromising the pilot project's basic function and purpose, with a focus on issues related to labour and corridor control. Once staff have completed this process, we intend to return to Committee and Council with full proposal details and an accompanying recommendation. In order to preserve the opportunity for pilot project start-up in August 2000, such a report would have to be brought to Council by July 1999.

It should be added that the Environmental Assessment (EA) for the Light Rail Pilot Project has been completed, with the recommendations approved by Regional Council on 26 May 1999. Once the EA report has been completed, it will be submitted for approval by the Ontario Ministry of the Environment.

CONSULTATION

The Light Rail Steering Committee has met seven times so far in 1999 to help determine the course of the pilot project. The Light Rail Sounding Board met most recently on 2 March 1999, at which time CPR staff and consultants presented several aspects of their work towards a detailed proposal. Sounding Board members were able to comment on vehicle procurement, operating plans and station designs, as well as on plans for broader public consultation relating to an eventual CPR proposal. Another Sounding Board meeting will be held once CPR's proposal has been finalised and the details may be made public.

In addition, three Environmental Assessment open houses held in January, February and April 1998 included information prepared by CPR on alternative elements related to vehicle procurement, operating plans and station designs. CPR staff and consultants were present on each occasion to answer questions and receive suggestions.

According to the schedule envisioned at the beginning of this year, Regional staff intended to hold a public forum on CPR's final proposal prior to Committee and Council deliberation on the related business agreement. This would enable the staff report on the agreement to contain a summary of public input on the proposal. Due to the ongoing status of negotiations with CPR, insufficient information exists on which the public could reasonably be consulted at this time.

However, when the terms of CPR's proposal are finalized all efforts will be made to solicit public comment before a staff report reaches Committee and Council.

FINANCIAL IMPLICATIONS

None.

CONCLUSIONS

Since December 1998, staff of the Region and OC Transpo have worked to assist CPR in its efforts to develop a proposal that, as far as possible, meets the letter and spirit of the MOU signed last December. Once negotiations have been completed, staff will return to Committee and Council with a detailed report and recommendation regarding pilot project implementation.

Approved By
N. Tunnacliffe, MCIP, RPP

GN/jg

Extract of Draft Minute
Transportation Committee
16 June 1999

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- Planning and Development Approvals Commissioner report dated 1 Jun 99

In response to a question posed by Councillor Legendre about apparent cost-overruns, the Planning and Development Approvals Commissioner, Nick Tunnacliffe advised that staff are still negotiating with CPR. The councillor was surprised it was the railway company that is causing the price increase. Pamela Sweet, Director, Policy and Infrastructure explained that CP was to come back to staff with a proposal based on the Memorandum of Understanding between CP and the Region and she confirmed they are responsible for the construction of the stations, which is part of the overall costs.

Lois K. Smith briefly highlighted the importance of consultation to ensure that when regular maintenance has to occur, it does not interfere with the running of the train.

In response to the earlier comments about cost, Councillor Doucet confirmed that as a member of the Steering Committee, he recognized that this project is running a bit over cost, but assured committee staff are working hard to get the costs down to as low as possible. By comparing the Region's system with the light rail system in Calgary, for example, he indicated their costs were \$4M/car, while in Ottawa-Carleton, it will cost only \$5M for 9 cars. Further, in speaking with people in Calgary, he has learned that \$16M is an extremely low amount for 8 km of track, nine cars and five stations. In closing, he believed CP has done as much as they can and while the costs may exceed the originally suggested \$16M, he thought it will be the lowest cost piece of transit infrastructure the Region will ever see.

That the Transportation Committee and Council receive this report for information.

RECEIVED