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July 23, 2009

Nancy Schepers
Deputy City Manager
City Of Ottawa
Infrastructure Services and Community Sustainability
110 Laurier Avenue West
Ottawa ON K1P 1J1

**Subject: Innes-Walkley-Hunt Club Extension
Funding Request for Design and Construction**

Dear Nancy,

I am responding to your letters dated May 19, June 16, and June 29, concerning the City of Ottawa's request for provincial funding from the Ministry of Transportation for the above noted project, and following up on our phone conversation of June 29, 2009.

We are faced with many demands and high expectations from our users of the provincial highway system and we take pride in our success to date of managing public assets and investments professionally, impartially and objectively. One of our many challenges is balancing the needs of the ever increasing demands for expansion of new infrastructure across our region.

We have successfully brought forward numerous expansion and other key infrastructure projects in the Ottawa area and continue to work with City staff in a professional, transparent and accountable way advancing other ongoing projects. These have included some projects we are very proud of here in the Region such as the innovative rapid replacement of the Island Park Drive and Clyde Avenue Bridges, the expansion of Highway 417 to Arnprior, and the ongoing expansion of Highway 7 from 417 westerly. We are very excited that our expansion of Highway 417 from Highway 416 to Eagleson Road includes the first HOV lanes in Eastern Ontario.

Most recently, the province committed \$125,302,494 as its contribution to projects valued at \$376,132,500 through the Infrastructure Stimulus Fund (ISF). As part of this commitment, I know you had many key roads and transit projects funded, such as:

- Hunt Club Road Extension: \$6,666,667
- Terry Fox Road Extension: \$15,900,000
- Mer Bleue Road Widening: \$1,666,666
- Hazeldean Road Widening: \$21,666,666
- Earl Armstrong Road Widening: \$11,666,666
- South Nepean Transitway: \$17,533,333
- Baseline Station Tunnel: \$12,666,667

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As we discussed on June 29, the Ministry of Transportation's position with respect to the Innes-Walkley-Hunt Club Extension project has historically been one of technical expertise, support and cooperation only. We have participated in the Environmental Assessment phase to further understand the traffic patterns of this area, congestion, and safety issues. MTO's position has been and remains that this project is a city initiative and not a provincial highways project. Under the ISF initiative, the City applied for and received funding for the Hunt Club Road Extension. The ISF was a merit-based process with the City having control of project scope. Funding approved under the ISF is separate from the usual course of business and provides a rare opportunity for the City of Ottawa to advance many important infrastructure projects that otherwise would not be possible in this time frame.

As requested by the City of Ottawa, MPP Phil McNeely announced on July 22nd, 2009 that the Government of Ontario has approved in the 2009/2010 budget funding for the design (\$840K) and property acquisitions (\$600K) for the interchange portion of Phase 1 of this project. As you know, the province's capital budget is approved on an annual basis. Future funding for the ministry's share of the construction of the Hunt Club interchange will be pursued through the budgetary process.

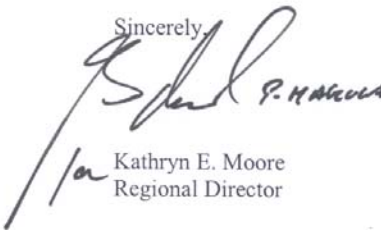
As you and I also discussed on June 29, we both take pride in the 20 year long collaboration between staff of the MTO Eastern Region and the City of Ottawa to ensure we can promote the efficient operation of transit along the Highway 417/Queensway corridor. This includes the Reserved Bus Lanes on Highway 417, construction of parts of the BRT within the Queensway right of way, development of the large commuter parking lot at Eagleson Road, and bus queue jump lanes at some interchanges.

The ministry looks forward to continuing to work with the City of Ottawa on the Hunt Club interchange and other municipal and provincial projects to better Ontario's roads and to ensure a safe and efficient flow of traffic in the Nation's Capital. Upcoming projects include:

- the replacement of the Cyrville Road Bridge in 2010,
- the rapid replacement of the Carling Eastbound Bridge also in 2010 and
- the expansion of Highway 417 from Vanier Road to the Split,

MTO continues to enjoy the strong and collaborative funding partnership that it shares with the City of Ottawa to ensure that today's infrastructure is viable for the future.

Sincerely,



Kathryn E. Moore
Regional Director