The Empire Club Presents



PHIL VERSTER

PRESIDENT AND CHIEF EXECUTIVE OFFICER, METROLINX

WITH: TRANSIT RELATED DEVELOPMENT

Welcome Address, by Mr. Kent Emerson, Associate Vice President at the Municipal Property Assessment Corporation and President of the Empire Club of Canada

May 2, 2019

Good afternoon, ladies and gentlemen. From One King West Hotel in downtown Toronto, welcome, to the Empire Club of Canada. For those of you just joining us through either our webcast or podcast, welcome, to the meeting.

Today we present Phil Verster, President and Chief Executive Officer at Metrolinx for today's topic, "Transit Related Development."

HEAD TABLE

Distinguished Guest Speakers:

Mr. Phil Verster, President and Chief Executive Officer, Metrolinx

Guests:

Ms. Lena Azzou, Chief of Staff to the President and Chief Executive Officer, Metrolinx

Mr. Jens Goetz, Chief Executive Officer, Siemens Mobility Ltd. Mr. Marty Harris, Senior Vice President & Executive Lead, Civil East, Aecon Group Inc.

Ms. Arielle Kadoch, Principal, Sector Leader – Transmission & Distribution (Eastern Canada), Stantec

Mr. Faisal Kazi, President and Chief Executive Officer, Siemens Canada Limited Mr. Michael Kobzar, Director, Energy Management, Ontario, Siemens Canada; First Vice President, Empire Club of Canada

Mr. Alan Mak, Chair, CPA Ontario; Partner, National Forensics Practice Leader, BDO Canada LLP

Ms. Marsha Seca, Vice President, Corporate Strategy, Infrastructure Ontario; Director, Empire Club of CanadaMs. Antoinette Tummillo, President, Antoinette Tummillo and Associates Inc.; Second Vice President, Empire Club of Canada

It is not the first time we have had a speech of great importance on transit at the Empire Club of Canada. In 1954, Peter Thorneycroft, President of London's prestigious Board of Trade came to Canada from England to address the Empire club and he opened the International Trade Fair.

Since the talk of the town was not only the International Trade Fair in 1954, but also the newly opened Yonge subway, Mr. Thorneycroft used his speech, entitled "Combined Operations," to talk about the newly minted subway as a shining example of co-operation between Great Britain and Canada. Here is a quote from that speech: "The United Kingdom and Canada have learnt to cooperate with mutual benefit in exciting developments right across this country.

One of the best examples is in this city is the form of the Toronto subway. Those beautiful cars in which you have travelled were built in the ancient city of Gloucester in the shadow of the Cotswold Hills. The rails on which they run were made in Canada and in the United States.

Those gleaming glass surfaces, which you have admired in the stations were rolled in Yorkshire and put together in Ontario. The signal system came from London. The steel, which lies embedded in the structure, was the product of the United States, Great Britain, Belgium, Germany and Luxembourg. Truly an international project."

Today, I know there is lots of talk about various governments and what each level will be responsible for.

The example I read you shows that in the past, we have dealt with levels of governments that were far from our shores to establish our GTA transit system.

Today, with a new provincial government, a re-elected Toronto city council, and a federal government that is vehemently seeking re-election, what could possibly go wrong? If we worked together in 1954, we can do it again today.

There are challenges. Challenges in building new transit in the GTA were well defined by a 2014 speech to the Empire Club by the Chair of Metrolinx at that time. "The success of Toronto must be the starting point for any discussion of transit and transportation. Our challenge is a direct consequence of our success. Our success as a city region has outstripped our infrastructure to accommodate our growth.

What was adequate in the 1960s, 1970s and 1980s is not adequate for greater Toronto in the 21st century."

To deal with these challenges, the new Ontario government has announced a new transit plan that includes uploading the subway to the province's control, and legislation on that will be introduced today. In that landscape, we turn to today's guest to explain it all to us.

He is the President and Chief Executive Officer at Metrolinx. He oversees a team committed to transforming transportation in the Greater Golden Horseshoe. Prior to joining Metrolinx, he managed train operations, infrastructure builds and infrastructure management for passenger rail systems in England, Scotland and Ireland.

He began his career in his native South Africa in the electricity sector. He spent several years in the UK at Bombardier Rail and the Irish Rail. In 2011, he joined Britain's Network Rail where he managed the second largest route in the system. He ran Scotland's passenger rail service and served as Managing Director of Network Rail's East West Railway. Phil joined Metrolinx in October 2017.

His comprehensive knowledge and extensive transit background has equipped him with the necessary tools Metrolinx requires to continue working toward delivering an integrated, regional transportation system that will serve the needs of residents and businesses for years to come.

Please, welcome the Chief Executive Officer of Metrolinx, Phil Verster.

Mr. Phil Verster

Thank you very much, Kent. Thank you very much to the Club. It is fantastic to be here. There are so many faces and people I know and so many new people we will meet today. Those of you that know me will know there are probably two things that I am sort of switched on about. I want to get things done, and I fervently believe Metrolinx can always be better. Any organization I lead, I have this fervent belief it can be better at what it does.

When I got this invitation, it sort of puzzled me at what to talk about, because there is not much happening in transit, is there? I wanted to give a different spin to this discussion today. I asked my teams to go out and look for a single photograph of a picture of a big thing we do with a single caption to it. I want to do justice to what our Minister Jeff Yurek says to me whenever I meet him: "It's for the people."

And he used the expression yesterday: "It's for the real people." What are we doing on a day-to-day basis and what is real for what we deliver out there? I know, lots of nice

philosophical debates about big things and what the future would look like, but you know what really matters is what we do now. I searched for all of these across the organization and got all this stuff back, and, by yesterday, there were about 120 ideas. I said to the team, "I only have three-anda-half hours to present, so I cannot use 120." What I have done, today—and it is the first time I am going to do this, so it is probably going to fail—is I have taken 50 slides, and I am going to click through them really quickly. If you are here for three-and-a-half hours, you have been warned.

Let us see how far we get. The thrust of the presentation is about what is getting done. It is really urgent for all of us to strike the right balance. When we see things, we can sometimes get locked up into philosophical debates, while what is really important is to provide a service for those people every day that are dependent, those customers.

I say to my team when I am on the concourse at Union and I do that every week, a couple of times—"I am humbled by what I see when people come off our trains and off our concourses and off the TTC, the huge number of people that are dependent on transit." And I think we need to ground ourselves in that philosophy of Minister Yurek. Let us go.

Downsview Park: Completed in 2018. New connection with Line 1. There are 69,000 people a year that benefit from this investment. Guildwood GO Station: New station facilities, new amenities, totally reworked platforms, totally different connections, pedestrian tunnels under the track, changes to the southern end of the parking space to give more access to our parking facilities.

Oshawa GO Station: 856,000 people that benefit from that every year, and \$14 million was spent on it, on better facilities, more accommodation for retail capability, but mostly on simple things like washrooms, better reception, better wickets where we can sell tickets and where we can serve our customers, a keynote for us in our network.

Renforth: All the way, it connects 18 kilometres, with 12 new stations connecting us all the way from Winston Churchill through to Renforth. There are 10,000 people per day benefiting from this facility. The bus services here include Mississauga buses, GO buses. It is a fantastic service—really important for Mississauga.

York vivaNext: \$1.7 billion, 9 million people, 9 million boardings a year, huge change. Much of that transit network has been reduced by about 35%, and the ridership is continuously increasing. A fantastic big impact, with 43 stops over a 34.6-kilometre network overall—a huge impact to that region.

Now, let us look a little bit at stuff that is happening that most of us hear about or sort of experience. Depending on where you drive, you may experience it in terms of what we do at Eglinton, but where I daresay very many people are not aware of the huge amount of activity that is going on underneath the surface of Toronto is Keelesdale Station, which has got about 2,300 square metres of decking that keeps the station protected so that traffic can travel across it. Look at the cavern there of where the station is going to be. That is work that is in progress currently, aimed for completion by next year—and the surface is about the size of five basketball courts which covers the Keelesdale Station and the development, completion due for 2021. It is a very exciting first. This is the first station where work really started on the Eglinton Subway.

Eglinton Station: Eglinton has 269 square metres of excavation, the biggest on the whole route. There will be stations about 20 metres underground. What is so exciting about Eglinton is that there will be 8,200 people in the peak period—which will be the morning peak—using this facility. That will tally up to around 20,000 during the period of a day. Think of Line 1 on its busiest part of the morning, when it would be carrying 35,000–40,000 people a day. Fantastic infrastructure that is being built now and being delivered now. Sometimes the things we do is not always that visible. It is not always that clear, but let me show you this one, which I find really amazing. Not everyone would know that Eglinton Crosstown passes underneath the subway at Eglinton itself. When you look carefully, therefore, and you see those yellow pillars, and you see the crossbars or needle bars that go across—or I-beams that go across they are, in terms of that excavation, part of a complicated engineering solution with a set of hydraulic jacks that sits across that red band of needle bars, allowing the excavation. And then, if there is a 3mm-deviation, those hydraulic jacks kick in to keep the subway that is above it at the right position at the right place and to minimize deviation, to ensure

safe operation—3mm. Take seven business cards and put them on top of each other. Seven business cards on top of each other is the system's accuracy in terms of making sure the deviation on the subway is contained. This is a huge engineering important activity that makes the building of a transit possible. When you think of Eglinton itself, there where you see the 'D' is where Eglinton would pass through east to west, and you can see the subway where 'A' is, going north to south. Then there is Avenue. Avenue is a different technique of building a station. We call it 'mining'.

We create the excavation on the side of the road and then tunnel and mine towards the centre area where we create the space for building the station and the track: 1,250 people per hour in the morning peak. Laird, have a look at that, the size and the scale of it. Laird would be where we have a portal where we exit on the eastern side of Eglinton. And the huge benefit of Laird being the way it is designed is we will have a turnback facility that will make sure that we can operate the services on time and very effectively and recover services pretty quickly. Mount Dennis: 3,500 people in the peak. Fantastic station, which will link up to a TTC bus terminal. We will create an interface with GO as well as with UP Express. Then, here are interesting things, again: Kodak Building 9 has a heritage interest, but it stood right where we had to dig foundations, so the 3,000-ton building was put on a frame and moved 200 feet out of the way to allow building work to happen and was moved back and retained

It will now become a secondary entry to the station as well as a big building for office space. Working closely with a community on something—that is crucial to community success as well as to heritage and to all of that.

These things are not always known, but this is really cool stuff. Kipling Station: We are spending \$73 million on that.

Look at it. It is going to be a facility that links the GO line, GO bus, together with TTC buses and the TTC subway as well. And so it is connected in a first regional multimodal transfer—first of its sort we feel, really, in a regional sense in Canada, and it is a huge regional mobility hub with great benefits. Eight hundred more parking spots are being added to the 1,600 we already have at Cooksville.

New station building, new platforms, and 499,000 people every year benefiting from that. I think the importance here is we seem to forget that there is a lot of stuff happening on an ongoing basis. At Agincourt: 134,000 customers every year. There is a new station building, a new passenger subway connection, and we are building a twotrack section. At Agincourt, Milliken and Unionville, we are spending a quarter of a billion, \$254 million, exactly, to get these stations into a good place. At Milliken itself, we are adding, obviously, the second track all the way up the Stouffville line. That gives us the opportunity to run trains at a higher frequency, so we have a big focus on delivering these stations as quickly and as urgently as possible. About 195,000 people every year benefit from that. At Unionville: There are 300 more stations, relocated platforms, modernization of the platforms and a big impact for that part of the line.

Bloomington is a brand-new terminus station on the Richmond Hill line. Roughly 253,000 people will be using this facility—our estimate. It is still new. Have a look at that huge parking facility at the back, with 1,070 new parking spaces, new bus drop off and terminal and passenger pickup and drop off facility.

Bramalea: We are adding 1,300 parking spaces to the existing 2,600. We are putting in a new pedestrian and passenger underground walkway, which consists in a total renewal of our access. You get access from Bramalea Road, and a better access from Bramalea Road and more facilities to make sure we get better change around of people at our station itself.

Confederation: This is a brand new station on the Grimsby sub, with big benefits for us as a connection just one step down from West Harbour. And there is a huge market to exploit in the Grimsby and Niagara Region.

In Mimico, we have just completed, as we have announced and discussed, an agreement with VANDYK, which is the developer, about how we trade air rights for investment in our station. About 335,000 customers will benefit directly from a refurbished substation, which would not require any investment from the taxpayer.

Similarly, Woodbine involves about a \$136-million investment, which we do not have to make, because we have secured that agreement and a deal with the developer of choice. Here, you can see, we took a little bit of liberty; it is not built yet, so we have taken a brilliant photo of one of the TTC stations on the recently extended Spadina line, and we will have the same ambition to create that type of feel that you get from those great stations.

There are 13,600 people using 485 buses a day to travel from Union Station bus terminal. Here is our new bus terminal. It is on the ground level of the CIBC building down at the lakefront.

At Eglinton Crosstown, this is where we started to put tracks down. We have got 14.6 kilometres of track; the maintenance facility was built and opened in 2018.

That was a photo I liked because it showed a lot of activity, but it is now completed, so it is very dreary.

There is a lot of concrete everywhere, but that photo shows the excitement of how much work has been done in this area.

Mount Dennis: This is the first place where we started to put down track, and that is completed and that is moving forward.

On the Stouffville line, we are putting double tracking up there that will allow us to run a massively frequent service, very much aligned with some of the requirements of the mayor, as well as of our business case for GO expansion to achieve that high frequency from that part of the region all the way up the Kitchener line. And it is a very exciting forward way of looking. If you consider the walls on the side, these are sound protection for the local communities.

This was agreed to with the local communities and implemented and built with their support.

On the Hamilton Junction, Hamilton line: We have done so much work on junctions such as this to enable us to run the services out to Niagara—real stuff getting into the ground. This allowed us, this year, to announce that services to Niagara will run four years early, which is an objective of our minister and our government.

Similarly, we are spending just over \$100 million on getting a tunnel built on the 401 to give us a further two tracks to expand the service on the Kitchener line, which is an unambiguously important objective for us because of the development potential it brings in that part of the province.

Then, Whitby Rail Maintenance Facility, this is a monster of a facility. It is huge. It is one of the biggest facilities that I have ever been in. This facility will help us to run the expanded services. We opened it last year. That was an \$850 million investment. It sets us up and takes off the critical path that creating a facility that sets us up for the expansion of GO in the years to come.

Kitchener-Waterloo Facility runs 33 bus services in the region. A new facility serves that community to the extent that is really crucial. We have replaced six bridges on the Lakeshore West, all bridges older than 100 years.

Many of you in this room have been involved in some of these projects. This is one of the more interesting ones where we stopped services over weekends and packed in very small periods of time, huge amounts of working to get these bridges renewed. This particular Humber Bridge deck was totally renewed. It is about 300,000 tons of ballast have been moved in the recovery of these six bridges—huge works in terms of re-decking and renewal to last another 100 years going forward. These are key arteries for us, obviously, so it is really important to get this right.

There, you can see the track surfacing where we have very interesting and smart equipment. The yellow monster that you see there has preset panels of track that it puts down on the track and helps us to lay the track in a good and productive way. No presentation would be good without the Pickering Bridge—infamous. It is the longest bridge: 250 metres. I am told it is one of the longest foot bridges in the world. It crosses 14 road lanes and four tracks. It is lit up at night, as you can see, lovely, lovely. And it took a long time to complete that. It is not an example of great work, but it is an example of lessons that, as an organization, we need to learn from and be better at. It is right to put that up there, because learning from what you do wrong is important.

Last week, the Bombardier vehicles were delivered to us. They were delivered a few weeks late, not a few months late. The Bombardier vehicle ran for its first time under power. It was a huge success because one of the first things that I, in my organization Metrolinx, have set out to do is to make us work like a business, to be more commercial in the decision-making we do, to be more commercial in how we think about our relationships and our contracts. Good relationships are underpinned by good commercial clarity. In 2017, fixing the contractual issues in dispute with Bombardier was one of the first things we put in place.

That has enabled us to have the right leverage to make sure the delivery is what it should be and to have the first vehicles run on our own power, on our own patch.

Two-and-a-half years before completion of the project is exactly where we want to be.

Then, we have got eight of these. These are probably the biggest locos in the world. This is called Tier 4. It is a diesel-electrical, which we have added recently to the fleet.

They allow us to expand our services significantly. Working closely with Alstom, we have an alternative supply now in Brampton. That facility has been set up.

I would like you to look at this. What this shows is that from September 2017 to September 2020, we will add 50%—I will say that again: 50%—capacity to GO services. Previous estimates by GO was for much less, 2%–3% per year. We have looked at how to do things efficiently.

How do you run your fleet efficiently? How do you run your whole operation and your logistics efficiently?

Last year, we achieved 22.6%. This year, we are on target to achieve another 15% to bring us by the end of this year to a 40% increase in services. Our minister, Minister Yurek, is adamant that this is the type of strategy that is necessary to bring our services to the people of Ontario.

Kids GO Free is a really important announcement, really big step to get children under 12 to travel for free and to cultivate the service patterns, the service behaviours that we would like to see. On our PRESTO adoption rate now: A year ago, we were 12% or 15% for TTC. Yesterday, it was at 65%. The products we have rolled out on PRESTO—different monthly passes, annual passes and the like—over the last year, have made a huge difference. Therefore, PRESTO adoption is now so high across all of the agencies.

The momentum we have behind PRESTO is just magnificent, and it is fast. Our new app allows you to auto-load, for self-load.

Customers' response to this functionality has been fantastic. At six stations, we have what we call PC Express, which is where people can order their goods and pick it up on their way home. It is supported by, as you can see, Loblaws and Fortinos.

The \$3.70 fare, which is a reduction of more than \$1 has boosted our ridership significantly, and it is part of an overall integrated approach to get footfall and customs to resemble what we are putting in, in terms of infrastructure.

By getting your price ratio right and your value for money equation, you encourage people to use the infrastructure we are putting in place. This was a big step for us because this brings us closer towards fare integration and working closely with all of the other municipal operators in our region. We have been working closely with Uber and other sort of ride-hailing firms to provide solutions for First-Mile/ Last-Mile, for example. Uber has been a fantastic deal, and, normally, transit agencies in other parts of the world contend and compete with the ride-hailing firms. We do not.

We incorporated them into our solution, and that helps us a lot with First-Mile/Last-Mile solutions.

The pet policy is very popular. Then, we are into the LRT projects. Thirty-two million people will benefit from Hurontario, and, for Hamilton: 12.4 million. These projects are now moving forward and taking us forward as a region.

Finch West. I can say as much about Finch West as I can say about Eglinton, but we ran out of slides. I think here is the important thing. This is the second last slide. Here is the thing. When we talk about transit, there is so much to do.

We must achieve quite a lot of things on different fronts. On the one hand, we must get forward planning right.

We must come up with those solutions that really work for the people that are going to use it, but we must not spend too much time arguing about what the future should look like and forget about delivering what is needed today.

I think we are striking the right balance today. This year we have struck the right balance. What are the solutions that can work best? Then, let us talk about it amongst our organizations and amongst ourselves. Then, make decisions.

Then, let us move and let us deliver. Many of you in this room are part of our delivery of these projects. For that, we are very pleased. The last slide is probably the one you have come for or to see, and it is probably the most exciting slide out of all of the others because there is such huge momentum in Minister Yurek's mind about what needs to be done to transform transit in the GTA—this solution or this proposed program of works. Because that is the way I look at it, as a program of four projects, and four to five big projects is substantial to the extent that with a momentum that is given to it will transform how the city works and how the interfaces to other modes of transit, such as GO, such as the regional services, such as the Mississauga MiWay service, such as vivaNext function.

Even to the extent that it creates connectivity out further to the regions with the expansion we are doing to GO creates a network that transforms the region. I think the huge benefit of what we are seeing, from an agency's perspective over here, is that the commitment out there, the excitement—you saw the minister yesterday at the Toronto Regional Board of Trade.

The confidence and the excitement he has in the program is huge. I think in this era that we are in, in the next four to five years, our focus has to be all ours in this room. We have to pull together, be as effective as possible, sufficiently as possible. Let us get to deliver as much as possible. Thank you very much for listening to me today.

Questions & Answers

KE: That was fantastic, Phil. We are going to do a Q&A session now. I am sure all of you are thinking of your questions. We are going to ask that when you do ask your question, state your name and the organization you are from. We have Jehan over here with a microphone; an-

other is with Christine over here. Raise your hand if you have a question. While we are waiting for those with questions, I am going to ask you a question: There are so many projects you put up on the screen. What is the one that you think is the most crucial of all the projects you are doing?

PV: That is a really good question but I actually think they are all evenly important. As an organization, clearly, there are bigger value ones and huge ones, such as what we want to do with GO expansion, but every project affects the local communities. One of the first things we did as a senior management team in Metrolinx was to figure out, again, why we are here. We are here to support the communities in the Greater Golden Horseshoe area. I take as much interest in what is happening at Bloomington as I take interest in what happens at Mimico. Getting that balance right, for us to always focus on the details, is really challenging. The last year and a half has been about how we change our organization to get better at this. Now, we are just talking infrastructure, but what about the other stuff that is important?

Because one can easily just think about infrastructure and forget about the importance of getting fair strategies right. Consultation with communities—we put a regional roundtable in place to make sure PRESTO is on a better commercial footing as we have done in the last year. I think the challenge for us, as an organization, is to not pick favourites, to not pick what is the most important, but to constantly look at what our communities and what our stakeholders and shareholders are asking and to try and deliver all of that at the same time.

Q: How do you do? My name is John Campion.

I am a former President of the Club. I would like to know whether you think, in the planning that you have, you are creating a transportation system, or are you creating an entirely new Toronto? Considering what you build and how it is going to impact 50 years from now the city that we live in?

PV: Thank you for leading with an easy question like that.Without a doubt, the second part of your question.We are into building cities and communities.

That is what it has to be. Let me give you an example. I personally think the Ontario line is very exciting. We spent a lot of time. We started in October. The minister gave us strong guidance and said go think about things; one more chance. We said to him, "Give us one more chance. Let us think about how we can transform the city." I want to call out one part of the thinking there. If you start off—and I am not criticizing anyone or what has gone on before—thinking you are going to build railways first, you will make railway decisions. If you think you are going to build subways first, you make subway decisions. We wanted to build something that changes how the city thinks and works and interfaces. One really good example is the question of how we create an interface at one of the biggest stations we are creating. That station is what I call the "Union Station of the East" or "East Harbour." We are working with the industry and the local developer, First Gulf, on thinking about how we create the station there where there is an easy interchange. If you just build a subway solution, you may decide to tunnel under the Don, and you are 42 metres deep in the ground over here, and you are 5 metres over here with GO and six flights of stairs to make a transfer. How is that going to work? If you cross the Don, you can put the two stations right next to another. People can probably walk across the platform.

Is that not going to be easier? Is that not going to be more natural? Is that going to be perhaps more practical as well as our communities work together? Your question is really at the heart of good transit planning. Again, I am not criticizing anyone by having said that. I just think we should all be going through this stage, which we are doing now. We are working very closely with the City of Toronto, very closely with TTC and Rick Leary and his team. They are fantastic people in those organizations.

We are building up a series of options to figure out

how we make the Ontario line as effective as possible to achieve a city outcome and a community outcome rather than just be another really sexy train. I like trains, by the way.

Q: Hi, my name is Arif Rafiq. I am with Esri Canada. The investments in the infrastructure are undoubtedly staggering. I have seen some of the investments that Metrolinx is making for the parking facilities.

You are expanding the parking facilities. I also saw the lovely Pedestrian Bridge on Pickering. Could you comment on how much of this infrastructure, if any, is going towards encouraging more active forms of transportation to get to the system, like cycling or pedestrians?

PV: I love that question. Currently, I am the proud owner of 77,000 parking spaces. I am in the process of building 23,000 more. I think more parking spaces is not the answer for transit. We have this huge dichotomy where the future of transit in the city of Toronto has to be about a network of connectivity whereby people can get out of the house, walk past the car that stands in the driveway, and find a way to get to the closest station, which is where the network comes in.

There is a huge behavioural change, and that is one of the reasons why the example I gave you about how we make a solution where transfers between modes of transit is now so important. The easier you make it for people to travel, the better. I have got a very active agenda where I am currently approaching automobile manufacturers to say come and run an autonomous vehicle trial in my region. Come and let us figure out how we agree how to overcome and figure out the regulations, so we can get an autonomous vehicle shuttle that runs automatically to my station and through the neighbourhoods. It is always full of six people or eight people, and that reduces car parking requirements and achieves more ease of First-Mile/Last-Mile connectivity. I have been bugging the ride-hailing firms. Personally, I can tell you, honestly, I use public transit all the time. I have made a conscious decision not to buy my own car. I Uber; I Lyft; I TTC; and I GO. I use MiWay, and I use vivaNext, and I use DRT when I am out in Durham, and I go all the way.

I run half marathons up in Collingwood and get an Uber driver up there. I do that because I fundamentally believe in transit. I think we must help figure out how we get new formulas to make it work better.

Our stations are not built well enough for people to walk on sidewalks to get to the station. For years, we have not focused on the items you raise in your question, and we are looking at that now, more.

Q: Hi, excellent presentation. Ziggy Krupa of Cedar Croft Consulting and current public appointee of **RIBO** and a current treasurer and board member of the Empire Club. You had mentioned the Mimico line and the partnership between private and public deal on the air rights over the GO station there.

Could you share a little more about that? I think that is really exciting to hear something different about utilizing the space and the assets that the city has.

PV: It is a challenging equation because very often it is difficult to create a competitive environment around a location where there is already ownership of the root asset, the core asset, which is the property itself.

Infrastructure Ontario and ourselves are putting together a joint team, and we have got a very well-developed strategy, which we are taking to government during June, about how to create the organizational and competitive market dynamics around what we do with sites.

Very often, it will be a site such as the one at Mimico where there is an incumbent owner. There is no one else that can really get the benefit of the air rights except the incumbent owner. It is now a question of value, and you say no if the value is not right, and say yes, if the value is right. The one thing about transit-oriented development (TOD) solutions that we are seeing—and we now have a funnel, a list of about ten or 12 really big, really important TOD opportunities. Many people in the room are potentially involved in that. What we have seen in nearly each case is that the specifics and the nature of each of these deals is different. I think it brings a lot of philosophical issues with it in terms of how we do business and it brings challenges, too. How does an agency operate as a business and not as a bureaucracy?

Because developers would say to us in rooms that they are not so keen about doing business with you if you cannot be consistent with your decision-making and make decisions fast enough that can work with their timeline of decisions. Minister Yurek's real challenge to us is make this work. Figure out how to get transit that is in development into a place where it benefits the taxpayer and where it benefits communities.

I probably did not answer your question as well enough, but I want to give you that sense that transit that is in development is a fantastic opportunity for the private sector, the public sector to work together.

We, as an agency, are clued in with IO (Infrastructure Ontario) in terms of how we are going to tackle that. You could not really expect me to say more than that. Thank you.

Q: Hi, thanks. Afternoon, Phil. It was a good presentation. It is always nice to see the delivery people recognized. With the exciting level of investment you currently have on your books with this future transformational level of investment that you are planning on making across a variety of areas, what is your biggest challenge within Metrolinx—part A? Part B: What do you see as the biggest challenges for the industries and companies that want to be involved in this journey that ultimately delivers that best customer experience?

PV: Head and shoulders above everything else, the biggest risk for us, as an agency and for the industry itself is skilled, competent resources. That has dimensions to it at different levels. Government has acknowledged that there is an initiative that will work through all of the ministries to make sure that what can be done to broaden the pipes of education for artisan-ships and different crafts is broadened to get more competent people trained in the region. My biggest concern is senior level experience. I personally came to the region because it is so fantastic. Toronto is a fantastic place to live. The challenges here are fantastic. I think we will continue to attract people that want to do that, but getting people to early stages of their careers to make big moves is not always possible. I think, collectively, all of us must work as an industry to bring more resources into the industry. Can I lift the second one out?

I am fundamentally concerned about our construction techniques across our work sites. Those of you that were sharpish about construction practices would have cringed when you looked at some of my slides. I cringed. There were photos of unsafe working practices nearly everywhere—equipment lying around where it should not be lying around.

I still put the slides in because I want to get slides out there, but I am worried about how we internalize as organizations safety into our way of working.

What I am used to in my own organizations in the UK and in that industry is significantly higher levels of safety. I think an organization that focuses on safety and makes it central is an organization that delivers well, that looks after its people well, typically meets budget, typically meets schedule. If an organization is sloppy, you see it in safety, but you then see it in claims; you see it in rigour. It is a rule of construction that safe organizations are good organizations to contract with. In the next couple of years, we are going to drive really hard at—I am starting to not award contracts to contractors on safety criteria. I am really intent that what we have to achieve is a high level of safety in our industry. Those are my two biggest concerns.

Q: Hi, I am Helen Cook from OMERS. I was wondering what your plans are for a mobile app that we could use to pay as opposed to carrying the card.

- PV: Thank you for that. We have demonstrated a mobile phone app that allows you to have a virtual PRESTO card. It is in the pipeline. I would not like to say much more about it now, except that it is going to happen. Thank you very much, everyone.
- KE: Good. Thank you. I am pleased to welcome Mr. Jens Goetz to the podium from Siemens, to thank the speaker today. Thank you.

Note of Appreciation, by Mr. Jens Goetz, Chief Executive Officer, Siemens Mobility Ltd.

Thank you, Phil, for this fabulous and interesting speech. To me, that was more proof that whenever I meet with Phil, it is about change; it is about significant change; it is about change to the better; and it is about change happening.

I think you have seen in his slides lots of change, many construction sites going on, but there is also more than just construction.

Then we talked about safety. When I came here to Toronto about a year ago that was one of the first items which struck me, the safety mindset.

I found in my GO train seat, a little card saying, "Don't just sit on this; read it." I turned it around, and it was about safety advices. I felt, and probably you felt as well, that when Phil talked about safety, he is very eager about that. When you step on a platform with little children, and you tell them not to walk there close to the yellow line—that is something which probably many of us do, but you still see passengers, not only here in Toronto, but all around the world, for whom it is very different. It is a safety risk. Whatever we do, safety is of utmost importance.

All the rest beyond, it is what we have seen and what we are going to see in the future. It is really a challenging time being here, being part of this industry.

There are lots of things to be done. Thanks for the presentation, and thanks for having me here.

Concluding Remarks, by Kent Emerson

Thank you. This is a great presentation today. We had representation from the union, from the people who do the construction at Aecon, from Siemens who builds trains.

We have had all of you today at the Empire Club of Canada. I also want to mention that Councillor Thompson came in the room after we did the beginning intros.

I noticed him. Thank you, Councillor. I know you are acutely listening about what is going on here and are watching what is happening today.

Councillor Thompson is speaking to us two weeks from today about the City's vision on a number of things at the Empire Club of Canada at the Arcadian Court on the 16th. I want you guys all to come to that. We will also have Jan De Silva from the Board of Trade. She is going to be sitting down to moderate with him.

We will have a Canada Fresh Voices Panel, a political panel on individuals who are looking at politics for the federal election.

We will have Perry Bellegarde, National Chief of the Assembly of First Nations on May 22nd. Lots of events going on.

Ladies and gentlemen, thank you very much for coming today.

Meeting adjourned.