

Clause 4 in Report No. 12 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on September 20, 2018.

4

Agreement with Canadian National Railway for
Rail Grade Separation on Keele Street North of Steeles Avenue
City of Vaughan

Committee of the Whole recommends adoption of the following recommendation contained in the report dated August 9, 2018 from the Commissioner of Transportation Services:

1. Council authorize entering into an agreement with Canadian National Railway for the structure replacement and long-term maintenance of the road-rail grade separation on Keele Street (Y.R.6), north of Steeles Avenue in the City of Vaughan, in accordance with the principles outlined in Attachment 1.

Report dated August 9, 2018 from the Commissioner of Transportation Services now follows:

1. Recommendation

It is recommended that:

1. Council authorize entering into an agreement with Canadian National Railway for the structure replacement and long-term maintenance of the road-rail grade separation on Keele Street (Y.R.6), north of Steeles Avenue in the City of Vaughan, in accordance with the principles outlined in Attachment 1.

2. Purpose

This report seeks Council authorization to enter into an agreement with Canadian National Railway (CNR) for the construction and long-term maintenance of the structure replacement at the existing road-rail grade separation on Keele Street, north of Steeles Avenue, as shown on Attachment 2.

3. Background

The existing bridge on Keele Street at the CNR tracks has reached the end of its service life and needs to be replaced

The existing bridge carrying four lanes of vehicular traffic over two railway tracks was constructed in 1960. Both the substructure and superstructure have deteriorated and the overall condition of the bridge is poor. Recent structural inspections undertaken by the Region recommend replacement of the bridge in the short term.

The Class Environmental Assessment Study recommends widening Keele Street to six lanes for transit/high occupancy vehicles

The Keele Street Class Environmental Assessment was approved in September 2012. The study included the recommendation to widen Keele Street, from Steeles Avenue to Rutherford Road, to six lanes including transit/high occupancy vehicle lanes and the replacement of the existing bridge at the CNR tracks, north of Steeles Avenue.

Replacement of the existing bridge at the CNR tracks and widening of Keele Street from Steeles Avenue to Highway 407 are included in the 2018 10-Year Roads and Transit Capital Construction Program, with construction planned to commence in 2019.

The Region is in the process of completing the detailed design and is obtaining the regulatory permits and an agreement with CN Rail, prior to tendering the contract and proceeding to construction.

4. Analysis and Implications

The proposed grade separation will consist of infrastructure shared by CNR and the Region

The existing Keele Street bridge at the CNR tracks is currently at the end of its service life and needs to be replaced. A new bridge will be constructed to accommodate the future widening of Keele Street to six lanes with space for sidewalks, cycling paths and a centre median. All four lanes of traffic on Keele Street would generally be maintained during construction with minimal disruptions anticipated by temporary lane restrictions. Some short-term road

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closures would be required to accommodate demolition of the existing structure and the installation of girders for the new bridge.

An agreement for the construction and long-term maintenance of the grade separation is required to ensure both CNR and the Region's responsibilities are identified

The principles presented in Attachment 1 shall form the basis for developing an agreement for cost-sharing and overall governance for the construction and long-term maintenance of the grade separation. The principles are based on industry best-practices and are in line with Canadian Transportation Agency guidelines. Staff intend to tender the contract upon execution of the agreement.

5. Financial Considerations

The cost for the grade separation is included in the capital budget

Staff has negotiated the cost apportionment for the grade separation with CNR to reach a fair and mutually beneficial agreement.

The Keele Street road reconstruction project from Steeles Avenue to south of Highway 407 is currently estimated to cost \$37.3 million, which includes construction, property, utility relocation, the reconstruction of the bridge over the CNR tracks, engineering and contract administration costs. The construction cost of the bridge is estimated to be \$8.9 million. Following a series of negotiations, CNR has agreed to contribute 45.4 per cent, or an estimated \$4.1 million, toward the capital cost with York Region contributing the balance, an estimated \$4.8 million, as summarized in Table 1.

Table 1
Road-Rail Grade Separation Funding Sources

Funding Source	Amount (Millions)
York Region	\$4.8
CNR	\$4.1
Total	\$8.9

Final contribution value from CNR will be based on their share of 45.4 per cent of the actual construction cost.

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The cost for the project is included in the 10-Year capital budget and is funded from 90 per cent development charges and 10 per cent tax levy.

CNR will also contribute 55 per cent of the cost for all future rehabilitation and long-term maintenance of the bridge, with the remainder to be paid for by York Region.

6. Local Municipal Impact

The reconstruction of the existing grade separation of the CNR tracks at Keele Street will benefit residents of Vaughan and the rest of York Region

The replacement of this bridge will accommodate the future widening of Keele Street to six lanes, as recommended in the Keele Street Class Environmental Assessment, which will benefit residents of Vaughan and the Region, easing access to York University, employment areas and the City of Toronto.

The City of Vaughan has been, and will continue to be, actively involved in the implementation of improvements to Keele Street, including the grade separation. This project will include the installation of a watermain and on-street bike lanes and sidewalks.

7. Conclusion

Agreements for the construction and long-term maintenance of the road-rail grade separation are required to identify CNR's and the Region's responsibilities and governance.

Council authorization would allow staff to enter into agreements with CNR for the construction and long-term maintenance of Keele Street road-rail grade separation and finalize arrangements for tender and construction.

Agreement with Canadian National Railway for Rail Grade Separation on
Keele Street North of Steeles Avenue - City of Vaughan

For more information on this report, please contact Salim Alibhai, Director,
Capital Planning and Delivery at 1-877-464-9675 ext. 75229.

The Senior Management Group has reviewed this report.

Recommended by:

Approved for Submission:

Paul Jankowski
Commissioner of Transportation Services

Bruce Macgregor
Chief Administrative Officer

August 9, 2018

Attachments (2)

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Accessible formats or communication supports are available upon request

Construction and Long-Term Maintenance Principles of Agreement

Objective

To develop an agreement for the Keele Street/CN Rail railway grade separation to establish CN Rail and the Region's (Parties) respective roles, responsibilities, cost apportionment principles, mutual expectations, governance and accountability mechanisms.

Scope of Work

The grade separation shall include:

- Any work associated with the removal of the existing Keele Street bridge over the CN Rail tracks and the construction of a new six lane bridge including sidewalks, bike lanes, and median
- Any work necessary to ensure the grade separation meets applicable laws and standards in effect in the Province of Ontario
- Any work necessary to create vertical and lateral clearances as per current standards for grade separations in the Province of Ontario

Cost Apportionment

Unless otherwise agreed between the Parties, the estimated \$8.9 million cost of the grade separation project shall be allocated as follows:

- CN Rail shall pay 45.4% of the construction cost associated with the removal of the existing bridge and construction of the new bridge.
- CN Rail and the Region shall each pay 100% of all their ineligible costs
- CN Rail and York Region shall pay 45.4% and 54.6%, respectively for track monitoring and CN flagging during construction
- CN Rail shall be responsible for paying 3% Administration Fee, 6% Design Fee and 6% Construction and Inspection Fee (based on their portion of the construction cost) to York Region for the administration of the construction contract

- York Region shall be responsible for paying CN 'Design and Construction' (D&C) Fees based on actual time and expenses incurred
- CN shall pay 15% utility relocation costs (Bell 360 and CN Fibre) within the bridge structure area
- The cost will be based on actual costs incurred during construction, with the Region invoicing CN Rail at the beginning of each year until total performance of the construction

The grade separation shall not include any work and corresponding cost that would otherwise be incurred by CN or the Region associated with the discussion and negotiation of the agreement.

Either Party shall be entitled to audit any costs payable pursuant to the grade separation agreement upon reasonable notice to the other party.

Ownership and Maintenance

Ownership, maintenance and repair of the new structure shall be allocated as follows:

- CN Rail and the Region shall become co-owner of the new structure.
- The Region shall undertake inspection of the structure every two years.
- The Region shall be responsible for typical asphalt works required on the structure deck at its sole cost and expense.
- For all other future maintenance and repair, the Region shall be responsible for retaining the services necessary to complete all detailed investigation, prepare contract documentation, and tender the maintenance and repair works, and retaining the contractor and necessary construction administration and inspection services to complete the maintenance and repair works.
- The costs associated with future maintenance and repair, excluding the bi-annual inspection and typical asphalt works as indicated above, shall be paid for by CN Rail at 55% and by York Region at 45%.
- The Region shall own and be responsible, at its sole cost and expense, for all maintenance and repairs of the roadway, including the road approaches and road surface beyond the bridge.

Construction

The Region shall be responsible for the management of the delivery of the bridge removal and replacement, including procurement of services, regulatory approvals/permits, utility coordination and construction.

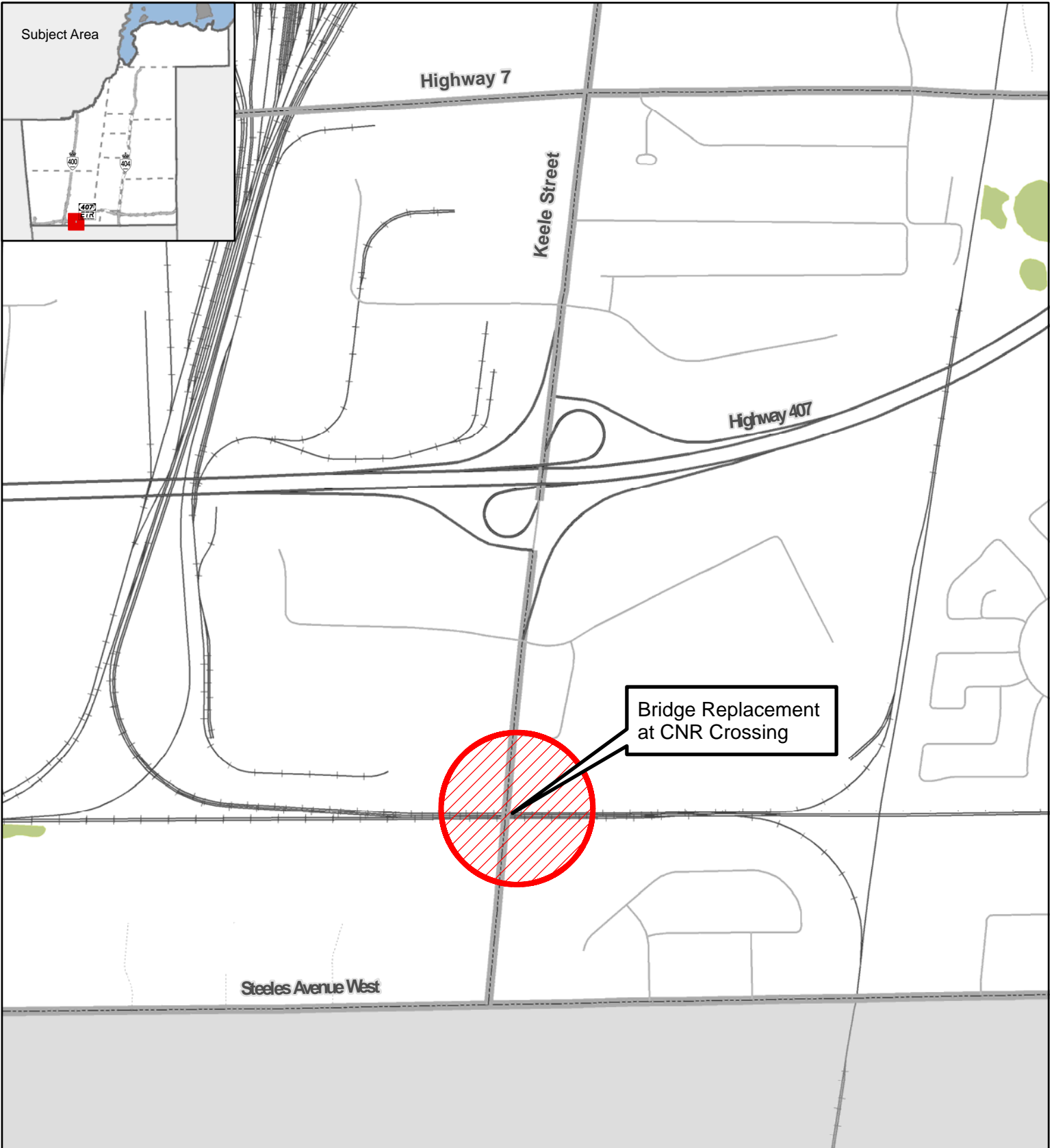
Both Parties shall be provided the opportunity to access the construction of all works related to the bridge removal and replacement.

Substantial completion and acceptance of all works related to new bridge shall be agreed by the Region and CN Rail.

Dispute Resolution

The Parties agree to resolve disputes through dispute resolution and escalation protocol/procedures.

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York Region

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Location Map
Agreement with Canadian National Railway
for Rail Grade Separation on Keele Street
North of Steeles Avenue
City of Vaughan
September 6, 2018

0 60 120 240 360 480 600
Metres

Legend

- Municipal Boundary
- Railway
- Regional Road
- CPR Crossing