

Office of the President and Chief Executive Officer
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October 29, 2012

Joe Pennachetti
City Manager
City of Toronto
City Hall
100 Queen Street West
Toronto, Ontario
M5H 2N2

Dear Mr. Pennachetti

Thank you for the meeting on Friday to discuss refinements to the city staff report and the master agreement. I want to confirm my understanding of what has been agreed to, and a formal letter to this effect will follow.

First, I would like to emphasize that Metrolinx's objective is to deliver the entire program, including the four transit projects of the Eglinton Crosstown LRT, the conversion of the Scarborough RT to LRT, the Sheppard East LRT and the Finch West LRT, as set out in the project descriptions contained in Schedule E to the master agreement, within the established budget of \$8.7 billion (2010 dollars). This objective is set out in the beginning of section 3.1(c)(i) of the master agreement.

Second, Metrolinx agrees that its discretion to amend the program scope is subject to the receipt of any required approvals under the Environmental Assessment Act.

Third, Metrolinx is committed to consult with the city on any adjustments to program scope, as set out in the master agreement. More specifically, any proposed program scope changes that involve the following will also trigger a Notice of Environmental Project Report Addendum to the approved Environmental Assessment:

- The elimination of any underground or elevated station,
- Significant increases or reductions to the length of any one of the projects,
- Significant increases or reductions to the length of any tunneling, and
- Significant changes to the alignment of any of the projects.

Finally, Metrolinx, as part of the Communications Protocol in the Master Agreement, will keep City councilors informed of construction or other project impacts affecting Toronto communities and neighborhoods.

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Metrolinx looks forward to moving ahead with the delivery of these important additions to Toronto's and the region's transportation system.

Sincerely,

Bruce McCuaig

President and CEO

c. John Livey, Deputy City Manager, City of Toronto