



Richard J. Leary
Chief Executive Officer

Toronto Transit Commission
1900 Yonge Street
Toronto, ON M4S 1Z2

Josie La Vita
Chief Financial Officer

Tel: (416) 393-3914
Josie.LaVita@ttc.ca
www.ttc.ca

2024 CAPITAL BUDGET BRIEFING NOTE

Toronto Transit Commission Scarborough Rapid Transit (SRT) Busway Status Update

Issue/Background:

At its January 17, 2024 meeting, the Budget Committee requested a briefing note regarding the estimated costs of a busway, on the former SRT route including:

- a) A summary of progress on busway design work completed to date; and
- b) Estimated costs of opportunities to begin decommissioning and construction work.

Key Points:

Summary of progress on busway design work completed to date

The TTC has been advancing the Line 3 Bus Replacement and Busway program, which consists of two phases:

- Phase 1 – Interim Bus Service Requirements.
- Phase 2 – Conversion of the SRT Right of Way (ROW) between Kennedy Station and Ellesmere Station into a Busway (Busway).

Phase 1 Status:

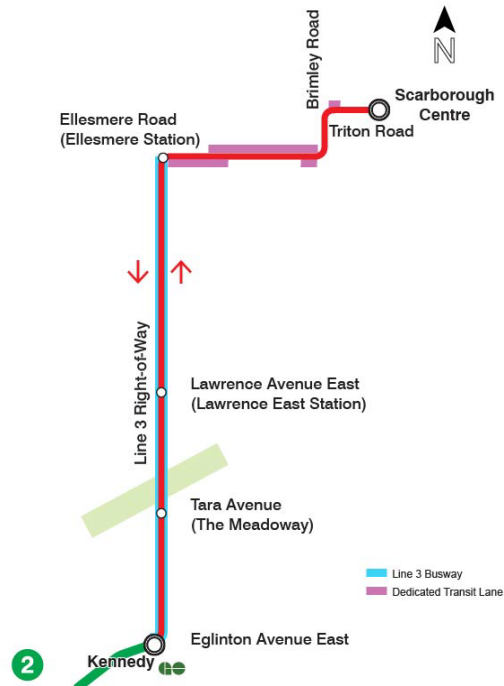
The first phase involved increasing the bus terminal capacities at Scarborough Centre Station and Kennedy Station to be able to accommodate the increase in bus service. It also entailed modifying the bus platform at Scarborough Centre Bus Terminal and building a temporary bus terminal at Kennedy Station. The first phase also implemented various transit priority measures, such as bus priority lanes, traffic signal modifications, and changes at key intersections to allow for more efficient movement of buses in mixed traffic. The construction work for Phase 1 is substantially done with the contractor completing signage along with correcting deficiencies.

Service adjustments were made to bus routes to extend the busiest routes in Scarborough to provide direct service to Kennedy Station. The first phase of the replacement bus service rolled out on November 19, 2023.

Phase 2 Status:

The second phase involves converting the SRT ROW into a Busway. The buses would operate in the converted busway between Ellesmere and Kennedy stations, and would operate on the priority lanes on Ellesmere Road between Ellesmere and Scarborough Centre stations. Stops are planned at Kennedy Station, Tara Avenue, Lawrence East Station, Ellesmere Station and Scarborough Centre Station, as shown below:

SRT Bus Replacement Service Routing



The design of the Busway under Phase 2 has been advanced to 60% design completion and is anticipated to be completed in Q4, 2024. The design period has been extended from Q2 2024 for the following reasons:

- Presence of cultural heritage and archaeological resource, as documented in the Stage-1 Archeological Assessment of the Scarborough Subway Extension (SSE) Transit Project Assessment Process (TPAP) that requires further assessment.
- As property requirements were refined and finalized in Q4 2023, the need for a TPAP was identified, which was recently confirmed by the Ontario Ministry of Environment, Conservation and Parks and by external legal council
- Additional requirements have been identified, including the need for barriers to separate existing GO track and the planned Busway.

Following issuance of an RFP and contract award, construction is expected to commence by Q2 2025. The construction work is expected to take approximately two years to complete.

Once completed, the Busway will provide customers with faster and more reliable travel times since the majority of their journey will be in a dedicated right-of-way, removing the effect of more than 15 intersections as well as residential driveways. A trip between Scarborough Centre Station and Kennedy Station is projected to consistently take approximately 15 minutes on the Busway in all periods, a savings of up to seven minutes compared to current operations in the bus priority lanes on Kennedy Road and Midland Avenue. More than 118,000 weekly customers are projected to use the Busway with service being easily scalable to accommodate up to 250,000 weekly customers or more, should demand increase further in advance of the Scarborough Subway extension opening.

The Busway is proposed to be permanent, with opportunities to continue bus operations to provide fast and reliable transit service in the Kennedy Road and Midland Avenue corridor after Line 2 East Extension opens. The Busway can serve as a trunk for a network of bus routes near the corridor to have fast access to Line 2 and Line 5 at Kennedy Station.

The Busway would complement planned service improvements on the GO Stouffville rail corridor, connecting intermediate locations to Kennedy, Agincourt, Finch-Kennedy (future), and Milliken GO Stations. Busway service at Lawrence Avenue East and Ellesmere Road would replace previously planned SmartTrack/GO Rail stations at these locations that were subsequently removed from the transit expansion program and support existing and potential transit-oriented communities around these Busway stops.

Estimated costs of opportunities to begin decommissioning and construction work

The total capital project cost previously reported for the SRT Bus Replacement Infrastructure project, and most recently in the [September 26, 2023 update report](#) to the TTC Board, was approximately \$96.2 million, including \$36.6 million for Phase 1 design and construction costs plus \$3.9 million for design costs of the Busway and \$55.7 million for construction, based on a 30% design cost estimate.

Full funding of \$36.6 million was approved for the Phase 1 Interim Bus Service Requirements, which have now been completed. Approximately \$3.9 million has also been approved by way of a reallocation of TTC capital funding to complete the design of the Busway (Phase 2) with the expectation that both the design and construction cost would be requested as part as part the Provincial negotiations on funding the Busway construction project. As a result, this would have left an unfunded construction cost balance of \$55.7 million for the Busway, as identified in Capital Needs Constraints of the [2024 Budget Notes for TTC](#). Based on the completion of 60% design of the Busway,

the revised construction estimate is now \$67.9 million, representing an increase of \$12.2 million.

The breakdown of the estimate variance to 60% design from 30% design is shown below:

	30% Estimate	60% Estimate	Variance
Construction Cost	\$30M	\$38.3M	\$8.3M
Construction Contingency/CCA	\$6.6M	\$8.4M	\$1.8M
Project & Construction Management	\$7.4M	\$10.5M	\$3.1M
Estimating Contingency	\$12M	\$12.2M	\$0.2M
HST Rebate	(\$5.5M)	(\$6.7M)	(\$1.2M)
Property*	\$5.2M	\$5.2M	-
Total	\$55.7M	\$67.9M	\$12.2M

An analysis of the variance in the construction cost to 60% design from 30% design is driven by the following factors:

- \$8.3 million increase in the construction cost component of the project, which reflects more detailed requirements of the work at the 60% design stage, including:
 - Approximately \$4.3 million of the increase is required for additional barriers to separate the GO track and planned Busway. The 30% design assumed retaining the existing chain link fence. However, Metrolinx has requested for an additional barrier as the guided rail operation of SRT trains is being replaced with buses operating in close proximity to GO tracks.
 - \$3 million for other elements, such as additional metals for guard rail and hand rails at all three bus stops and light poles, additional pavement for the busway and general requirements and temporary controls.
 - \$1 million for remaining construction elements, such as additional concrete, masonry, earth work, wayfinding signage and pavement markings.

The estimate for other components of the project are established as a percentage of construction cost. Since the construction cost estimate has increased, there are corresponding increases for other components.

Phase 2 of the project does not address the future state of the remaining Line 3 infrastructure. Options for the remaining Line 3 infrastructure range from simply decommissioning and demolishing the remaining Line 3 infrastructure to some type of adaptive reuse.

An order of magnitude cost estimate was completed in 2018 with a range of \$150 million to \$175 million to decommission and demolish the remaining SRT infrastructure. Should a decision be made to proceed with decommissioning and demolition of the remaining Line 3 infrastructure, the cost estimate would need to be refined based on a specific scope of work. Alternately, it could be repurposed for an alternate use. In either case, these options are currently unfunded.

As directed by City Council in February 2022 through [motion MM39.24](#), the TTC has been in consultation with City divisions to explore adaptive reuse for Line 3 infrastructure that may be no longer required for transit operations. Since 2021, TTC public consultations have engaged customers and the public on this topic, along with other elements of the Line 3 Bus Replacement and Busway, and there has been general support for alternative uses, such as active transportation and/or the development of a linear park/urban green space.

Further work to investigate the feasibility of an adaptive reuse of the SRT infrastructure is required. Development of adaptive reuse scenarios and cost estimates will require resources to access consulting services. Existing easement agreements with private property owners will require re-negotiation. It is advised that an independent structural assessment of the SRT infrastructure be carried out to confirm the integrity and state of good repair of the guideway, piers, stations and ancillary structures.

Additional information on future adaptive reuse of the SRT infrastructure is discussed further in the January 25, 2024 TTC Board report - [Scarborough Rapid Transit \(SRT\) Line 3 Bus Replacement and Busway Status Update](#).

Prepared by: Mark Del Vecchio, Director, Financial Planning and Analysis - Capital, Toronto Transit Commission, (416) 393-2633, Mark.DelVecchio@ttc.ca

Further information: Josie La Vita, Chief Financial Officer, Toronto Transit Commission, (416) 393-3914, Josie.LaVita@ttc.ca

Gary Downie, Chief Capital Officer, Toronto Transit Commission, (416) 590-6218, Gary.Downie@ttc.ca

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