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May 15, 2026

Mr. John Elvidge, City Clerk  
City Clerk's Office  
100 Queen Street West  
12<sup>th</sup> Floor, West Tower  
Toronto, ON M5H 2N2

Dear Mr. Elvidge,

**Re: Administrative Inquiry Regarding SmartTrack Invoicing**

Councillor Myers submitted an Administrative Inquiry to seek information on invoicing by Metrolinx for the SmartTrack Program. This letter provides a response to this request.

Introduction

The SmartTrack Stations Program (Program) represents a significant investment to improve transportation choices for people within the City of Toronto by leveraging existing Metrolinx transit infrastructure. As approved by City Council, the Program consists of three prioritized stations, namely, East Harbour, Bloor-Lansdowne, and St. Clair-Old Weston. The Program is funded by all three orders of government, including \$878 million from the City of Toronto, \$585 million from the Government of Canada, and \$226 million from the Province of Ontario.

Response

Please find below responses to each of the questions submitted.

1. *Can staff please give City Council the exact dates from 2018 to present at which staff contacted Metrolinx about the outstanding invoices regarding SmartTrack? Staff had indicated at the Audit Committee, that they had made such enquiries once per month.*

- City Council approved the 5-station SmartTrack Station Program in 2021.
- Per City Council direction, City staff negotiated the Revised Agreement in Principle with the Province of Ontario in late 2021 and subsequently negotiated and executed the SmartTrack Main Agreement (STMA) with Metrolinx in September 2023.

- As the STMA includes the City's requirements for invoicing for the SmartTrack Program, Metrolinx was not able submit an invoice prior to September 2023.
- The following table outlines instances where City and Metrolinx staff discussed SmartTrack invoicing:

<b>Date</b>	<b>Venue</b>
24-Nov-22	SmartTrack Sponsor Meeting
01-Jan-23	SmartTrack Sponsor Meeting
09-May-23	SmartTrack Sponsor Meeting
07-Sep-23	SmartTrack Sponsor Meeting
10-Oct-23	SmartTrack Sponsor Meeting
26-Mar-24	SmartTrack Sponsor Meeting
09-Apr-24	SmartTrack Sponsor Meeting
23-Apr-24	SmartTrack Sponsor Meeting
07-May-24	SmartTrack Sponsor Meeting
27-May-24	SmartTrack Sponsor Meeting
18-Jun-24	SmartTrack Sponsor Meeting
23-Jul-24	SmartTrack Sponsor Meeting
01-Aug-24	City staff email request for Metrolinx to establish a SmartTrack Financial Working Group (FWG)
09-Aug-24	City staff follow up email request for FWG to be established
13-Aug-24	SmartTrack Sponsor Meeting
12-Aug-24	City staff follow up email request for FWG to be established
04-Sep-24	SmartTrack FWG agenda-setting
11-Sep-24	Email commitment by Metrolinx to submit invoices by November 2024 for King-Liberty, St. Clair-Old Weston, Bloor-Lansdowne Stations
08-Oct-24	SmartTrack Sponsor Meeting
19-Nov-24	SmartTrack Sponsor Meeting
19-Dec-24	SmartTrack Sponsor Meeting
14-Jan-25	SmartTrack Sponsor Meeting
23-Jan-25	FWG meeting where Metrolinx proposes an invoice workplan
25-Feb-25	SmartTrack Sponsor Meeting
11-Mar-25	SmartTrack Sponsor Meeting
20-Mar-25	SmartTrack FWG Meeting
25-Mar-25	SmartTrack Sponsor Meeting
08-Apr-25	SmartTrack Sponsor Meeting
06-May-25	SmartTrack Sponsor Meeting
15-May-25	SmartTrack FWG Meeting
07-Jul-25	SmartTrack Steering Meeting
24-Jul-25	SmartTrack FWG Meeting
07-Aug-25	SmartTrack FWG Meeting
19-Sep-25	SmartTrack FWG Meeting
16-Oct-25	Email from Metrolinx committing to begin invoicing January 2026

Date	Venue
16-Jan-26	SmartTrack Sponsor Meeting
05-Feb-26	Email from Metrolinx committing to a plan to submit invoices in early 2026
10-Feb-26	SmartTrack Sponsor Meeting
24-Mar-26	SmartTrack Sponsor Meeting
07-Apr-26	SmartTrack Sponsor Meeting
16-Apr-26	SmartTrack FWG Meeting
21-Apr-26	SmartTrack Sponsor Meeting
05-May-26	SmartTrack Sponsor Meeting
08-May-26	SmartTrack Steering Committee

2. *Can staff please give City Council Metrolinx's rationale for not being able to provide the information and/or invoices to such requests?*

- Metrolinx has indicated that they are working to implement the invoicing requirements of the STMA. This work has included developing and aligning invoicing processes internally, including developing a shared approach with the City on how project related indirect costs will be allocated.
- Metrolinx has committed to submitting an invoice to the City in May 2026.

3. *Can staff please confirm that they have approached Metrolinx through the Steering Committee or the Finance Working Group or through the Transit Partnership Meetings to ask for the SmartTrack invoices, the detailed rationale, and the documentation necessary for audit purposes?*

- City staff have requested Metrolinx submit SmartTrack invoices to the City, along with all supporting documentation. The documentation required to support each invoice is outlined in the STMA.
- Per Council direction under [AU11.3](#), City staff have issued a letter to the Province and Metrolinx to request that an audit clause be included in future agreements where the City is the majority funder of infrastructure being delivered by Metrolinx.

4. *If confirmed, can staff please provide the date such request was made and the response from Metrolinx regarding the latest ask for invoices and the documentation necessary for audit purposes?*

- The table provided in response to Question 1 outlines the instances where City staff and Metrolinx discussed SmartTrack invoicing.
- Metrolinx has advised that they are working to implement the invoicing requirements of the STMA. This work includes developing and aligning their internal invoicing processes, as well as establishing a coordinated approach with the City for allocating project-related indirect costs. Metrolinx has committed to submitting an invoice to the City in May 2026.

5. *Can staff please provide to City Council a detailed description of the dispute resolution process identified in the SmartTrack Main Agreement if discrepancies arise between the City's estimates and Metrolinx's invoices for SmartTrack costs once the three-tiered process for reviewing invoices is completed (staff indicated that they first do a staff review, then use a "cost consultant" to independently review the invoices for the SmartTrack stations, and finally this is reviewed by the Executive Director, Transit Expansion)?*

- The SmartTrack Main Agreement (STMA) outlines the dispute resolution framework between the City and Metrolinx, which is used for disputes related to invoicing. The STMA notes that a tiered dispute resolution framework will be maintained, and if a dispute cannot be resolved at the project-level, it will be immediately escalated to the Steering Committee (Director-level) between the City and Metrolinx. If the Steering Committee cannot find resolution, it will be subsequently escalated to the Program Committee (Division-head level) and should Program Committee not find resolution, the issue will be escalated to the Executive Committee (City Manager and Metrolinx CEO).
- The City Manager, at Audit Committee on May 1, 2026, noted the issue had been escalated to the Executive-level, and as a result, Metrolinx has committed to submitting an invoice to the City in May 2026.
- The process for submitting and reviewing invoices under the STMA includes the following steps:
  - i. Metrolinx submits a draft invoice to the City for review upon receiving an invoice from its contractor. Such invoices will be submitted to the City no more than once per month. All invoices must include supporting documentation to validate the invoice, to the satisfaction of the City.
  - ii. The City reviews the draft invoice and identifies issues, including instances where supporting documentation is not satisfactory. Such issues are then escalated to the dispute resolution framework outlined above. Upon resolution, if the matter is decided in Metrolinx's favour, Metrolinx will submit the amount in the next invoice to the City. If the matter is decided in the City's favour, the amount will not be payable by the City to Metrolinx.
  - iii. For non-disputed items, the City pays Metrolinx.
- The City has retained the expertise of a third-party cost consultant to support staff with peer reviewing Metrolinx proposals for allocating indirect costs shared between the SmartTrack Program and other concurrently delivered Metrolinx projects (e.g. Ontario Line at East Harbour). The consultant will also provide advice on an invoicing framework, including criteria that should be met on an ongoing basis. As part of the assignment, the cost consultant will review the first set of draft invoices.

6. *Can staff please confirm that since May 1 that the City's estimate for \$186 million for costs related to SmartTrack are still current and if there is any variation, has an invoice been issued for such variance?*

- As of Q4 2025, the City's estimated share of the costs of the SmartTrack Program is \$184 million. City staff are reviewing updated cost estimates provided by Metrolinx for the City's Q1 2026 variance reporting process.

Sincerely,



Richard Borbridge for

Derrick Toigo  
Executive Director  
Transit Expansion Division

Cc:

Paul Johnson, City Manager  
David Jollimore, Deputy City Manager, Infrastructure Services