

## APPENDIX 4

## Appendix 4

### Mandatory Requirements Checklists – Envelope 1

Item	Requirement	Pg #
1) Cover	The cover must make reference to this RFBC, the closing date, the name and address of the Respondent, and must be clearly marked as "Envelope 1".	
2) Cover Letter	A Respondent must include a covering letter signed on behalf of the Respondent which contains the name, title, address, telephone number and facsimile number of a contact person for purposes of notices to and communications with the Respondent.	
3) Mandatory Requirements Checklist	A Respondent must complete and enclose this Mandatory Requirements Checklist for Envelope 1.	
4) Table of Contents:	A Respondent must enclose a table of contents for Envelope 1.	
5) Executive Summary	A Respondent must provide a non-confidential summary of its Business Case, which Transport Canada may release to the public.	

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**6) Approvals and Development Plan**

- A Respondent must describe the approach and methodology that will be used to:
- obtain necessary federal, provincial and municipal approvals, including without limitation, emphasis on compliance with the *Canada Transportation Act*, the *Railway Safety Act*, the *Canadian Environmental Assessment Act* and the *Ontario Environmental Assessment Act*, the *Planning Act* and other applicable statutes;
  - obtain ownership of or rights in real property; and
  - complete all design and construction work for the Spur Line and optional stations.

A Respondent must include a work plan for all approvals, designs and construction activities that provides:

- an overview of key tasks;
- an overview of the key individuals who will be performing key tasks;
- an estimate of working days;
- a schedule of timelines;
- linkages to other key tasks and an identification of key milestones; and
- a critical path assessment.

A Respondent must provide an organizational structure and reporting relationships of the key individuals assigned to key tasks described in the above noted work plan.

A Respondent must provide a conceptual alignment of the proposed Spur Line route. The conceptual alignment must include horizontal and vertical alignment details and cross section information at a level of detail similar to that contained in the Delcan Report

## 7) Operating and Maintenance Plan

A Respondent must describe key details of the ongoing operation and maintenance of the Air Rail Link together with risk management strategies over the Term.

The following details must be provided:

- the organizational structure and reporting relationships of the key individuals who will be managing the service;
- methodology and approach that will be used to meet all applicable statutory requirements related to the operation and maintenance of the service over the Term;
- proposed schedule, station stops, approach to fare collection and enforcement, ticketing, and integration with other services (if applicable);
- DMU vehicle that will be used including the manufacturer, number of sets to be used, acquisition details (e.g. lease versus purchase), and vehicle specifications (e.g. dimensions and performance specifications), as well as the approach that will be used to re-acquire DMU vehicles over the Term;
- provisions for baggage handling in DMU and at stations;
- approach used to prevent heavy rail vehicles from entering the Spur Line;
- train crews, fuelling, overnight storage and maintenance;
- approach to ensure compliance with the Railway Safety Act, and the Canada Labour Code Part II for occupational health and safety of train crews, and their associated regulations and rules;
- insurance to be secured;
- approach to be used to maintain and upgrade the Spur Line guideway, track and other ancillary works, and Optional Stations; and
- approach to deal with emergencies and schedule recovery

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8) Discussion of Government Objectives	<p>A Respondent must describe how its Business Case meets the Objectives of the Air Rail Link as well as broader governmental objectives.</p> <p>In describing the above, a Respondent should focus on the Objectives as well as other government objectives or priorities, such as:</p> <ul style="list-style-type: none"> <li>• national transportation policy objectives;</li> <li>• federal commitments announced in the Speech from the Throne;</li> <li>• sustainable development objectives; and</li> </ul> <p>Smart Growth objectives.</p> <p>Respondents should not limit their description of broader government objectives to strictly those of the Government of Canada.</p>	
Respondents are cautioned not to provide or cite any financial information in Envelope 1.		

## Mandatory Requirements Checklists – Envelope 2

Item	Requirement	Pg #
1) Cover	The cover must make reference to this RFBC, the closing date, the name and address of the Respondent, and must be clearly marked as "Envelope 2".	
2) Cover Letter	A Respondent must include a covering letter signed on behalf of the Respondent which contains the name, title, address, telephone number and facsimile number of a contact person for purposes of notices to and communications with the Respondent.	
3) Mandatory Requirements Checklist	A Respondent must complete and enclose the Mandatory Requirements Checklist for Envelope 2.	
4) Table of Contents:	A Respondent must enclose a table of contents for Envelope 2.	

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**5 Financial Analysis and Results**

- A Respondent must provide details on project financing, including details on the:
- equity components, holders of the equity, and terms and conditions imposed by the equity holders; and
  - financing structure including the components of senior and subordinated debt, all providers of debt, and the terms and conditions imposed by each debt provider.

A Respondent must provide details on all sources of revenue, including:

- revenue from ridership together with the estimates of annual ridership levels;
- fare structure; and
- sources of ancillary revenue (e.g. other than from fares).

A Respondent must provide details on any taxes that will apply.

A Respondent must provide details on all capital costs related to:

- infrastructure requirements for the Spur Line including T1 New Station and all studies required to obtain EA approvals;
- DMU rolling stock, including spares (if required) over the Term;
- purchase of property and payment for easements;
- any design, construction contract administration, and project management fees if applicable, Optional Station(s); and
- any other capital costs to be incurred.

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A Respondent must provide details on all operating costs related to:

- access fees for: Union Station; USRC; CN Track; Mississauga; Peel; TRCA; GO Corridor; and for any other portion of the route (if applicable);
- GTAA specific fees: land fee for the LBPIA Corridor; station operating and maintenance fee; rehabilitation reserve contribution; annual operating license fee; and a ticketing / terminal access and signage fees.
- DMU storage;
- overhead costs related to ticketing and marketing;
- corporate staffing, train crews, station attendants, etc.;
- corporate overhead costs;
- insurance;
- fuel; and
- any other operating costs..

A Respondent must provide details on all costs to maintain and upgrade the DMU rolling stock, the Spur Line and all station stops.

A Respondent must provide the costs related to the securities required by Stakeholders.

A Respondent must provide details on values (as applicable) relating to discount rates, CPI, interest rates, any applied contingencies, or any other generic business case model input parameters.

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A Respondent must provide a financial analysis that includes the following components:

- balance sheet;
- income statement;
- cash flows;
- debt schedule;
- sources and uses of cash; and
- a summary of results, including: annual EBITDA, debt coverage ratio and net cash flows; the total net present value (i.e. of the net cash flow); and the internal rate of return.

**6) Stakeholder Agreement Letters**

For each of GO, CN and GTAA a Respondent must include a Stakeholder Agreement Letter duly executed by the Respondent and the Stakeholder, and a 'blacklined' copy of each such Stakeholder Agreement Letter which shows any and all changes to the Stakeholder Agreement Letter contained in Appendix 3.

**7 Stakeholder Undertakings**

A Respondent must provide Comfort Letters (as defined in certain Stakeholder Undertakings), as applicable, for each of Orlando, WEG and VIA. For the balance of the Stakeholders a Respondent should clearly indicate, in its Business Case, how it has taken into account the terms and conditions contained in the Stakeholder Undertakings.

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