



Clause No. 1 in Report No. 2 of the Commissioner of Transportation and Community Planning was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on November 13, 2014.

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YORK REGION TRANSIT (YRT/VIVA) AUTOMATED FARE COLLECTION SOFTWARE MAINTENANCE AND SUPPORT CONTRACT EXTENSION

1. RECOMMENDATIONS

It is recommended that:

1. Council authorize an extension of the contract between the Region and Cubic Transportation Systems Inc. for software maintenance and support of York Region Transit's (YRT/Viva) automated fare collection central system and ticket vending machines, pursuant to the Direct Purchase provisions of the Purchasing Bylaw on the following terms:
 - a) The contract be extended for a further term of three years and 10 months, from February 1, 2015 to December 31, 2018, under the terms and conditions outlined in this report.
 - b) The Region pay the contractor \$90,344 for the initial 10 months of the contract, with each additional 12-month term subject to annual rate adjustments as defined in the contract, resulting in a total cost of \$432,117, excluding taxes.
 - c) The Region pay the contractor for additional services at the rates outlined in this report, subject to annual rate adjustments as defined in the contract, resulting in a total estimated additional cost of \$150,000 excluding taxes.
2. Council authorize the Commissioner of Transportation and Community Planning to execute the necessary amendment to the contract.

2. PURPOSE

This report seeks Council authorization to extend the current contract between the Region and Cubic Transportation Systems Inc. (Cubic) for a further term of three years and 10 months for York Region Transit's (YRT/Viva) automated fare collection central system

and ticket vending machine software maintenance and support. The current contract does not contain a renewal provision.

In seeking authority for the contract extension, this report also requests approval of a Direct Purchase pursuant to the provisions of Section 9 of the Purchasing Bylaw on the basis that the paramount consideration in seeking the contract extension is compatibility with existing equipment and service.

3. **BACKGROUND**

Viva's fare collection system is a proof-of-payment (POP) system where customers are required to purchase and validate their fare prior to boarding the bus

Customers can purchase a single ride validated ticket at a oneRide (ticket vending) machine situated at every Viva station and YRT/Viva terminal, or by validating a previously-purchased ticket at a vivaNow machine, before boarding the bus.

The current on-street fare collection system was provided by Cubic as part of the original supply contract with Kiewit EllisDon, the design-build contractor, for the 2005 Viva Quick Start program.

Cubic was the original supplier of the YRT/Viva automated fare collection equipment. Cubic has been providing software maintenance and support services since the Viva Quick Start launch in 2005. The system is operated using proprietary software and ongoing central software maintenance and support from Cubic is necessary to maintain daily operations of the system.

On January 22, 2009, Council authorized an extension of the original YRT/Viva automated fare collection software maintenance and support contract for three years with Cubic, which expired January 31, 2012.

On November 29, 2011, the Chief Administrative Officer authorized a further extension for a three-year term, expiring on January 31, 2015. This was permitted under the Region's Purchasing Bylaw in effect at that time, specifically under the provisions of Schedule "A" of the Bylaw, which was deleted when the Purchasing Bylaw was amended earlier this year.

Cubic has been providing consistent and reliable software maintenance and support services to YRT/Viva since the original implementation in 2005.

4. ANALYSIS AND OPTIONS

The software maintenance and support contract ensures reliable operation of the software

Cubic’s contract provides:

- Telephone support in the form of technical assistance and advice on the use and configuration of the software
- The correction of software deficiencies within a timeframe as agreed upon with YRT/Viva based on the severity of the deficiency
- Bug fixes and minor upgrades of the software
- 24-hour, 7-day support, on-site or remotely

The proposed extension term of three years and 10 months is to align the end date of software and hardware maintenance contracts

The hardware maintenance contract includes specialized regular preventive maintenance, periodic emergency maintenance and supply and storage of spare parts for the complex electro-mechanical ticket vending machines installed at YRT/Viva terminals and all Viva stations.

Table 1 provides a summary of the central system and ticket vending machine software maintenance and support costs to be paid to Cubic.

Table 1
 Software Maintenance and Support Cost

Description	Year 2014 (Existing)	Year 2015 (10 Months)	Year 2016	Year 2017	Year 2018	Total Cost
Central system and ticket vending machine software	\$105,771	\$90,344	\$111,123	\$113,902	\$116,748	\$432,117

Table 2 provides a summary of Cubic’s hourly rate for additional services outside of the software maintenance and support contract that may be required over the contract extension period.

Table 2
 Hourly Rates for Additional Services

Category	Year 2014 (Existing)	Year 2015	Year 2016	Year 2017	Year 2018
Software - Central Computer & Device Engineer	\$266.10	\$272.75	\$279.57	\$286.56	\$293.72
Hardware - Device Engineer	\$162.65	\$166.72	\$170.88	\$175.16	\$179.54
Quality, Test, Training Engineer	\$162.65	\$166.72	\$170.88	\$175.16	\$179.54
Contract Manager	\$152.61	\$156.43	\$160.34	\$164.34	\$168.45
Program Management	\$232.75	\$238.57	\$244.53	\$250.65	\$256.91

An annual cost increase of 2.5 per cent will be applied on each of the contract anniversary dates. The rate of increase is in keeping with the Council-approved hardware maintenance contract approved on September 26, 2013.

Link to key Council-approved plans

Vision 2051 includes a goal relating to the development of infrastructure for a growing Region, which states that:

“A seamless network for mobility provides accessibility to all destinations using diverse transportation options for people in all communities, promotes active healthy living and safely and efficiently moves people and goods.”

The Viva fare collection system supports this goal by improving the speed and reliability of the transit system through the use of intelligent transportation systems. Reliable automated fare collection equipment also protects revenues collected through transit fares.

5. FINANCIAL IMPLICATIONS

YRT/Viva will spend on average \$113,000 in each year of the Cubic contract extension (2015 to 2018) for software maintenance and support costs, and approximately \$40,000 annually for other service as needed, based on the hourly rates summarized in Table 2.

6. LOCAL MUNICIPAL IMPACT

YRT/Viva will continue to provide York Region residents with reliable, on-street fare media purchase and validation options by maintaining the existing high level of service.

7. CONCLUSION

Cubic is the original equipment manufacturer for the Viva Automated Fare Collection central system and ticket vending machine software maintenance and support. It is recommended that the current contract with Cubic be extended for a period of three years and 10 months, commencing February 1, 2015, at a total cost of \$432,117, excluding taxes. Cubic will also provide additional services on as-needed basis at the hourly rates outlined in this report, at a total estimated cost of \$150,000, excluding taxes.

For more information on this report, please contact Rajeev Roy, Manager, Transit Management Systems, at ext. 75682.

The Senior Management Group has reviewed this report.