



CITY OF HAMILTON
PUBLIC WORKS DEPARTMENT
 Transit Division

TO:	Chair and Members Public Works Committee
COMMITTEE DATE:	October 31, 2016
SUBJECT/REPORT NO:	PRESTO Equipment Supplier Renewal (PW04117j) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Nancy Purser Manager, Transit Support Services (905) 546-2424, Extension 1876
SUBMITTED BY:	George Brovac Acting Director of Transit Public Works Department
SIGNATURE:	

RECOMMENDATION

That Council authorize the Director of Transit, as Hamilton Street Railway’s (HSR) representative on the Greater Toronto Area (GTA) Fare System Operational Agreement Executive Committee, to execute a resolution that authorizes and directs Metrolinx, its agent under the GTA fare system operating agreement dated October 27, 2006, to enter into a three (3) year agreement commencing on November 10, 2016 with Thales Transportation Systems S. A. for maintenance support for the PRESTO system, currently in place on all HSR buses, at a cost of \$253,061 annually to be funded from Account 55748-530280.

EXECUTIVE SUMMARY

In report PW04117i, Council authorized the City Manager and/or delegate to negotiate terms and conditions of the extension of the Greater Toronto and Hamilton Area (GTHA) Fare System Operating Agreement dated October 27, 2006 (the “Operating Agreement”)for a period of one (1) year, from October 27, 2016 to October 27, 2017. In the Report, Council also authorized the negotiation of a new operating agreement for the future management of the Greater Toronto Area (GTA) Fare System (“PRESTO”) beyond the October 27, 2016 expiry of the existing Operating Agreement, for the consideration of Council. These negotiations are currently underway, with a report to Council expected in November 2016.

While negotiating the extension of the Operating Agreement with its respective Service Providers, including City of Hamilton, Metrolinx is also negotiating with its contractor, Accenture Inc. to extend various contracts to ensure continuity of the current PRESTO system. One such contract is with the equipment supplier Thales Transportation Systems S.A. This contractor provides all of the maintenance support for the equipment

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currently installed on all of the buses. As the PRESTO equipment on Hamilton buses is owned by the Hamilton Street Railway (HSR), the cost of the maintenance support is charged to HSR through Metrolinx. The three year extended agreement will allow HSR to continue to offer PRESTO, while working towards a new agreement and providing the necessary time to have new equipment purchased and installed on all of our buses.

Alternatives for Consideration – N/A

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: \$253,061 annually to be funded from the Transit Operating Budget 55748-530280.

Staffing: N/A

Legal: N/A

HISTORICAL BACKGROUND

PRESTO has been fully operational in Hamilton since May 2011.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

N/A

RELEVANT CONSULTATION

Legal and Purchasing have been consulted and are in agreement with the recommendation contained in this report.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

Pursuant to the terms of the Operating Agreement, each member of the Executive Client Committee on behalf of its respective Service Provider, including HSR, must agree to and sign a resolution to authorize Metrolinx to act on their behalf in any contract renewals or amendments. Should unanimous acceptance of the proposed three (3) year second amended and restated master supply and services agreement not be obtained from any party, including HSR, it would result in termination of all hardware or software support on the PRESTO devices.

The terms and conditions of the proposed three (3) year second amended and restated master supply and services agreement between Metrolinx and Accenture Inc., as it relates to the services and deliverables provided by Thales Transportation Systems S.A., will remain the same as under the previous agreement, with the exception of the term dates and pricing. The Agreement will be effective as at October 27, 2016 and the services will include:

- Program management
- Software maintenance
- On-site maintenance support

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- Device repair / replacement
 - Spares for repair
 - Factory repair
- Technical support

Staff is advised that there is unanimous support for the resolution from all other Service Providers, with the exception of Brampton who are also seeking approval from their Council on November 9th, that are required under the Operating Agreement to execute the resolution to authorize and direct Metrolinx to enter into the proposed three-year Agreement for services provided by Thales Transportation Systems S.A.

ALTERNATIVES FOR CONSIDERATION

N/A

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Built Environment and Infrastructure

Hamilton is supported by state of the art infrastructure, transportation options, buildings and public spaces that create a dynamic City.

APPENDICES AND SCHEDULES ATTACHED

N/A