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YORK REGION TRANSIT CONTRACT EXTENSION - ONTARIO COIN SERVICES INC.

The Transit Committee recommends the adoption of the recommendations contained in the following report, November 23, 2004, from the Commissioner of Transportation and Works:

1. RECOMMENDATIONS

It is recommended that:

1. Regional Council authorize a six-month extension, ending June 25, 2005, to contract T-01-60 between The Regional Municipality of York and Ontario Coin Services Inc., for the collection and processing of fare box revenue from conventional transit services.
2. The contract be extended on the same terms and conditions as the original contract (T-01-60) and maintain 2004 unit prices.
3. The Regional Solicitor be authorized to prepare any necessary contract documents.
4. The Regional Chair and Clerk be authorized to sign any necessary contract documents on behalf of the Region.

2. PURPOSE

The purpose of this report is to seek approval to extend contract T-01-60 with Ontario Coin Services Inc. for a six-month period ending June 25, 2005.

3. BACKGROUND

Tender T-01-60 was awarded to Ontario Coin Services Inc. for the pick-up and processing of cash generated from passenger farebox deposits starting in January, 2002. At the time of tendering, two bids were received, with Ontario Coin Services Inc. submitting the low bid. The contract term was for a 12-month period starting January, 2002 with the option to renew for two additional 12-month periods.

Council previously approved a staff recommendation to exercise the option which extended the contract to December 31, 2004.

4. ANALYSIS AND OPTIONS

The contract requires Ontario Coin Services Inc. to supply all staff, equipment, premises, technical assistance and security necessary to perform the service. Ontario Coin collects and transports the fare revenue from York Region Transit (YRT) sites to their processing facility where it is sorted, counted and deposited as specified in the contract. The deposits are checked regularly by Business Support Services (Finance) and YRT staff.

Ontario Coin has provided satisfactory service during the past three years of the contract. With Bus Rapid Transit (BRT) service scheduled to start in September, 2005, additional revenue servicing is required for the ticket vending machines at the BRT stations and terminals. The scope of this work has not been determined at this time. However, it would be beneficial to combine the current revenue processing function with the rapid transit work under one contract.

Transit staff, in consultation with Supplies and Services, is seeking approval to extend the current revenue processing contract for a six-month period. Ontario Coin has agreed to maintain unit prices at the original 2003 levels. This extension is required so that a comprehensive procurement process can be undertaken that accommodates the needs of both YRT conventional services and the new BRT services.

4.1 Relationship to Vision 2026

Vision 2026 includes a goal statement which indicates that York Region will have an effective, efficient and environmentally sensitive transportation, waste management and water systems. Contracting services for fare pick-up and processing is an effective and efficient means of providing this service.

5. FINANCIAL IMPLICATIONS

The contractor's payment is based on a percentage charge of revenue processed as well as a pick-up charge per location. The cost for revenue processing in 2004 is 1.25% of revenue processed, and remained unchanged from 2003. The pick-up charge for both years is \$35 per location. Staff have negotiated with the vendor and unit costs for the service will remain unchanged for the proposed six-month contract extension period. A competitive bid process will be undertaken for the award of a new contract starting July, 2005.

The total cost to continue this service for a six-month period in 2005 is estimated to be \$54,000. The 2005 draft Business Plan and Budget contains sufficient funding to perform this service.

6. LOCAL MUNICIPAL IMPACT

There are no local municipal impacts associated with this report.

7. CONCLUSION

Ontario Coin Services Inc. has provided satisfactory service under this contract for the past three years. Extending the contract for a six-month period will allow for a tendering process to include current YRT revenue servicing requirements and also future bus rapid transit revenue processing requirements at the stations. The 2004 unit price remains unchanged for the proposed six-month contract extension, and service will continue without interruption.

The Senior Management Group has reviewed this report.