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RENEWAL OF NON-CASH FARE PAYMENT PROCESSOR AGREEMENT WITH MONERIS SOLUTIONS

The Finance and Administration Committee recommends the adoption of the recommendation contained in the following report dated August 31, 2010, from the Commissioner of Finance.

1. RECOMMENDATION

It is recommended that:

1. The Region renew the non-cash fare payment processor agreement with Moneris Solutions for a period of five years.

2. PURPOSE

The purpose of this report is to seek approval from Regional Council for the selection of the non-cash fare payment processor for the York Rapid Transit System (VIVA).

3. BACKGROUND

A payment processor is used to receive payment from VIVA customers

Customers using the York Rapid Transit System (VIVA) have the choice of using cash, credit or debit cards. A fare payment processor is required to handle the credit and debit card usage.

The contract with Moneris must be renewed

At its meeting on April 21, 2005, Regional Council approved the selection of Moneris Solutions as the fare payment processor for the York Rapid Transit System (VIVA). This agreement expired on March 31, 2008 but continued in effect with no disruption in payment services.

In order to maintain the services provided by Moneris, the Region needs to renew the agreement.

4. ANALYSIS AND OPTIONS

Moneris is the only tested interface compatible with the Region's fare processing equipment

Moneris Solutions is the only interface that provides a fully tested option for use with TRAF PARK - the Region's fare processing equipment. For this reason, it is recommended that the Region renew its agreement with Moneris Solutions for fare processing for a five year period.

5. FINANCIAL IMPLICATIONS

Currently there are about 6 million VIVA riders per year generating annual revenue of \$15 million (\$2.50 per person). The revenue split is 60% cash, 35% debit card and 5% credit card. No significant growth is expected in the next few years. Fees paid to Moneris are based on transaction volume and were \$40,000 in 2009 and are \$21,000 for the first six months of 2010.

6. LOCAL MUNICIPAL IMPACT

There is no impact on local municipalities associated with this report.

7. CONCLUSION

Since Moneris is the only interface that TRAF-PARK has a fully tested option for new client use, it is recommended that Moneris Solutions be approved as the fare payment processor for the next five years.

For more information on this report, please contact Jim Kelly, Manager Corporate Accounting at Ext. 1683.

The Senior Management Group has reviewed this report.