



TO: GENERAL COMMITTEE

SUBJECT: METROLINX FARE INTEGRATION AGREEMENT RENEWAL

WARD: ALL

PREPARED BY AND KEY CONTACT: T. TURNER, CPA, CGA
SUPERVISOR OF BUSINESS SERVICES, EXT. 5187

SUBMITTED BY: B. FORSYTH, DIRECTOR OF TRANSIT AND PARKING STRATEGY

GENERAL MANAGER APPROVAL: R. JAMES-REID, EXECUTIVE DIRECTOR OF ACCESS BARRIE

CHIEF ADMINISTRATIVE OFFICER APPROVAL: M. PROWSE, CHIEF ADMINISTRATIVE OFFICER

RECOMMENDED MOTION

1. That the Mayor and City Clerk be authorized to renew the Fare Integration Agreement with Metrolinx based on substantially similar intent and conditions as the original agreement as attached in Appendix "A" to Staff Report TPS004-18.
2. That the Mayor and City Clerk be delegated authority on behalf of The Corporation of the City of Barrie to execute extensions or renewals of such agreement(s) with substantially similar intent and conditions presented in the original agreement.

PURPOSE & BACKGROUND

3. The purpose of this staff report is to receive authority from Council to allow the Mayor and City Clerk to renew the fare integration agreement with Metrolinx.
4. As part of the Transit Fare Strategy staff report (FCT008-15) from December 2015, Council directed staff to investigate the fare integration program with Metrolinx. Motion 15-G-272 reads:

"That staff investigate the costs and benefits of joining the GO Transit Co-fare Program and report back to Council prior to entering into an agreement."
5. In June of 2016, as per motion 16-G-162, staff had successfully negotiated a two year fare integration agreement with Metrolinx.
6. The original term of this agreement was set for two years from the effective date being July 4, 2016. A two year agreement was originally recommended as Metrolinx was in the process of investigating other fare integration models across the GTA and could potentially change the structure of the agreement in the future.

ANALYSIS

7. Barrie Transit offers, as part of the Co-fare arrangement implemented in 2012, free boarding's to all customers who provide proof of valid GO Train fare in order to promote the use of local and regional transit as a means of getting to and from your destination. This proof may be provided in the form of a current valid train ticket or monthly GO Transit pass.

8. Currently, the City provides 37 weekday Barrie Transit connections to the morning GO Train service at the Allandale Waterfront and Barrie South GO stations and 67 connections departing from the evening GO Train service.
9. Until June of 2016, Barrie Transit had offered this program to their residents free of charge and did not receive funding from Metrolinx. The ability to track ridership was the key component to joining the Metrolinx fare integration program. In 2015 the City of Barrie installed the electronic farebox systems with ridership tracking capabilities, ultimately providing Barrie Transit the opportunity to participate in the Metrolinx fare integration program.
10. Metrolinx has in place a fare integration program whereby, it shall reimburse local transit agencies 75% of their lowest regular fare for riders travelling within 30 minutes of GO train departure and arrival times. Barrie Transit's lowest regular fare would be the Ride Cards, which converts to \$2.60 per ride; therefore the eligible reimbursement from Metrolinx would be \$1.95 per ride.
11. Under the fare integration program the City of Barrie could decide to top-up the fare integration and charge the riders an additional amount not to exceed the full fare of \$2.60. This would mean instead of providing complimentary connections, riders would be asked to pay up to \$0.65 per ride when utilizing this program. The estimated additional annual revenue for this option would be \$8,450.
12. Based on the previous 2 years of data, approximately 13,000 riders per year are taking Barrie Transit to and from the GO trains, which yields funding of approximately \$25,000 per year from Metrolinx. It is anticipated that this number will increase as the full day GO train service is implemented on the Barrie corridor.

ENVIRONMENTAL MATTERS

13. There are no environmental matters related to the recommendation.

ALTERNATIVES

14. There are alternative available for consideration by General Committee:

Alternative #1

General Committee could choose to charge the additional top-up fare up to \$0.65 as part of the fare integration program. Under the agreement the City of Barrie could decide to top-up the fare integration and charge the riders an additional amount not to exceed the full fare of \$2.60. This would mean instead of providing complimentary connections, riders would be asked to pay up to \$0.65 per ride when utilizing this program. The estimated additional annual revenue for this option would be \$8,450.

This alternative is not recommended given this would alter the way the program is currently being offered and force riders who are currently riding for free to pay up to \$0.65 per trip. This alternative could result in greater confusion to the riders for a program that could be structured differently over the next few years.

Alternative #2

General Committee could choose not to renew the fare integration agreement.

This alternative is not recommended given Barrie's objective to look for alternative revenue sources to assist with fiscal responsibility.

FINANCIAL

15. The Metrolinx Fare Integration Agreement is expected to yield approximately \$25,000 of revenue on an annual basis for the City. The City of Barrie will be required to provide reports to Metrolinx quantifying the utilization of this program on a monthly basis, which will require a marginal amount of additional staff time that can be accommodated with existing resources.

LINKAGE TO 2014-2018 STRATEGIC PLAN

16. The recommendations included in this Staff Report support the following goals identified in the 2014-2018 City Council Strategic Plan:
- ☒ Well Planned Transportation
 - ☒ Responsible Spending
17. The recommended motions support Council's goals of increasing public transit options for residents by encouraging residents to take Barrie Transit to connect to the GO Train service. Further this partnership opportunity supports Council's ongoing commitment and goal of partnerships and seeking alternative revenue sources.

APPENDIX "A"
Metrolinx Fare Integration Agreement

THIS FARE INTEGRATION AGREEMENT ("Agreement") made in duplicate as of July 4 2016 (the "Effective Date")

BETWEEN:

METROLINX
("GO Transit")

-and-

THE CORPORATION OF THE CITY OF BARRIE
operating a bus transportation system under the name Barrie Transit
("Barrie Transit")

(each a "Party", and collectively, the "Parties")

RECITALS:

- A. It is in the public interest to provide integrated transit fares where a connection exists between a local transit service and GO Transit service, and the Parties wish to provide integrated transit fares for the GO Transit service and Barrie Transit's transit service;
- B. The Parties are aware that Metrolinx is currently developing and intends on implementing a broader integrated fare structure for the Greater Toronto and Hamilton Area. As such, the Parties are aware that this Agreement is only intended to operate for a limited period of time.

NOW THEREFORE in consideration of the premises, covenants and agreements contained herein, the Parties agree as follows:

1) DEFINITIONS

In this Agreement, unless the context requires a different meaning, the word or words:

- a) "GO Transit Service" shall mean the commuter transit system operated for or by GO Transit;
 - b) "Local Transit Service" shall mean the local transit system operated for or by Barrie Transit throughout the City of Barrie;
 - c) "Ticket" shall mean a GO Transit ticket or pass sold by GO Transit, its agents, representatives or third party service providers, in the form shown in Schedule "A" attached hereto or in such other form as GO Transit staff may identify, in writing, to Barrie Transit from time to time; provided, however that for the purposes of this Agreement, a "Ticket" shall not include a GO Transit employee pass; and
 - d) "PRESTO Card" shall mean the smart-card used by passengers for the electronic fare payment system operated by PRESTO, a division of Metrolinx.
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2) TERM, TERMINATION AND RENEWAL

This Agreement shall commence on the Effective Date and terminate two (2) years from the Effective Date ("Term"). Notwithstanding the preceding sentence, either Party may terminate the Agreement for any reason whatsoever upon at least ninety (90) days written notice to the other Party.

3) BARRIE TRANSIT'S OBLIGATIONS

Barrie Transit shall:

- a) subject to its usual policies regarding rider conduct, accept for transportation on its Local Transit Service any passenger displaying a valid Ticket who presents such Ticket at or en route to or from Barrie South GO Station or Allandale Waterfront GO Station, subject to payment of the co-fare identified in Section 5 below;
- b) subject to its usual policies regarding rider conduct, accept for transportation on its Local Transit Service any passenger displaying a PRESTO Card at or en route to or from Barrie South GO Station or Allandale Waterfront GO Station, subject to payment of the co-fare identified in Section 5 below;
- c) use its best efforts to prevent fraud and maintain the integrity of the object and intent of this Agreement;
- d) co-operate with GO Transit and PRESTO or their agents or representatives in the investigation of ticketing frauds or irregularities;
- e) comply with reasonable directions from GO Transit and PRESTO designed to limit, decrease or eliminate ticketing frauds or irregularities;
- f) co-operate with GO Transit and PRESTO or their agents or representatives in any initiatives to improve this Agreement;
- g) distribute to its employees such forms and instructions as are necessary for the efficient operation of the fare integration programme; and
- h) notify GO Transit in writing at least two (2) weeks in advance of any modification of any fares or fare related media relevant to this Agreement.

For greater certainty, the parties acknowledge and agree that (i) Barrie Transit will not accept a GO Transit employee pass for transportation on the Local Transit Service; and (ii) a PRESTO card or Tickets will only be accepted for transportation on the Local Transit Service to and from Barrie South GO Station or Allandale Waterfront GO Station.

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4) GO TRANSIT'S OBLIGATIONS

GO Transit shall:

- a) supply and sell all Tickets and PRESTO Cards required for transportation provided under this Agreement;
- b) notify Barrie Transit, in writing, of any changes to the Tickets or PRESTO Cards used from time to time by GO Transit, provided that, for greater certainty, such changes shall not require a formal contractual amendment;
- c) notify Barrie Transit, in writing, of any changes to Metrolinx By-law No. 2 or the PRESTO Terms and Conditions; and
- d) pay Barrie Transit a sum based on the total passenger carryings, as applicable, pursuant to Section 6 of this Agreement.

5) ACCEPTABLE CO-FARES

- a) Barrie Transit shall be entitled to directly charge GO Transit passengers with Tickets or displaying a PRESTO Card a co-fare of the amount set out in Schedule "B" (the "**Co-Fare Amount**") per passenger per trip where the Barrie Transit service arrives at Barrie South GO Station or Allandale Waterfront GO Station within thirty (30) minutes of a GO Transit service departing the Barrie South GO Station or Allandale Waterfront GO Station, as applicable.
- b) Barrie Transit shall be entitled to directly charge GO Transit passengers with Tickets or displaying a PRESTO Card the Co-Fare Amount per passenger per trip where the Barrie Transit service departs from Barrie South GO Station or Allandale Waterfront GO Station within thirty (30) minutes of a GO Transit service arriving at the Barrie South GO Station or Allandale Waterfront GO Station, as applicable.
- c) In order to determine Barrie Transit's eligibility to charge the Co-Fare reference will be made to Barrie Transit's bus schedule contained in Schedule "C" and GO Transit's Barrie Line schedule contained in Schedule "D".

6) PAYMENT

- a) With respect to GO Transit passengers with Tickets, GO Transit shall pay Barrie Transit the amount set out in Schedule "B" (the "**Per Passenger Payment**") for each passenger (excluding GO Transit monthly pass holders with Stickers) using the Local Transit Service to or from Barrie South GO Station or Allandale Waterfront GO Station, as determined from information provided by Barrie Transit's transit bus drivers on a daily basis.
- b) With respect to GO Transit passengers with PRESTO Cards, GO Transit shall pay Barrie Transit the Per Passenger Payment for each passenger using the Local Transit Service to or from Barrie South GO Station or Allandale Waterfront GO Station who presents a

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PRESTO Card, as determined from information provided by Barrie Transit's transit bus drivers on a daily basis.

- c) For greater certainty, the sum to be paid by GO Transit to Barrie Transit pursuant to Section 6) a) and 6) b) shall be paid in respect of passenger trips only to or from Barrie South GO Station or Allandale Waterfront GO Station.
- d) Payments shall be made on a monthly basis, subject to receipt by GO Transit of an invoice prepared in accordance with Section 6(e).
- e) Barrie Transit, in making its request for payment, shall provide GO Transit with a monthly invoice, verified and executed by City of Barrie Treasurer or designate, which includes the following information:
 - i. The daily logs of the total number of passengers with Tickets and/or PRESTO Cards carried by Barrie Transit in accordance with Section 3) a) and 3) b);
 - ii. The total number of passengers who, for the relevant month, used the Local Transit Service in accordance with Section 3) a) and 3) b); and
 - iii. The total amount Barrie Transit is seeking in reimbursement for the relevant month.
- f) Schedule "B" may be amended by written agreement of both Parties. At the written request of either Party, the Parties shall meet to discuss any proposed changes to Schedule "B". For greater clarity, GO Transit has no obligation to increase the amounts payable by GO Transit pursuant to this Section 6 as calculated by reference to Schedule "B".

7) RECORDS AND AUDIT

- a) Barrie Transit agrees to retain all records used to calculate the payment described above, including the daily records of Barrie Transit bus drivers (the "**Records**"), for a minimum period of two years following the date on which payment is made.
- b) Barrie Transit agrees to retain any and all customer research and marketing materials relating to the Local Transit Service and this Agreement (the "**Materials**") for a minimum period of five years following their creation or implementation.
- c) GO Transit or its representative(s) shall have the right, at any time, at its own expense, and upon reasonable prior notice, to audit the records and operations of Barrie Transit as they relate to this Agreement, the Records, and/or the Materials, provided that GO Transit:
 - i. Shall conduct any such audit within normal business hours; and
 - ii. Shall not unreasonably interfere with Barrie Transit's operations.

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8) ANNUAL REVIEW

- a) The Parties shall meet annually, and otherwise as required or requested by either Party, to review this Agreement and any issues or concerns arising in connection the Agreement.
- b) Without limiting the foregoing in each January that this Agreement remains in effect, GO Transit shall review its total payments to all participants in the fare integration programme during the immediately preceding calendar year and its total available funding for the fare integration programme. Based on that review and notwithstanding any other provision of this Agreement, GO Transit reserves the absolute right to reduce or limit its payments to Barrie Transit during the calendar year beginning each January. Should such reduction or limitation be effected, GO Transit shall endeavour to provide notification as early as practical in each calendar year and Schedule "B" shall be amended to reflect the required reduction or limitation as necessary.

9) ADVERTISING

- a) Neither Party shall be required to share in the cost of advertising of the fare integration program unless the form and nature of the advertising, and cost thereof to each Party are acceptable to and approved in advance by representatives of both Barrie Transit and GO Transit.
- b) Nothing in this Section 9 shall prevent either Party from advertising or promoting the fare integration programme at its own expense, provided however, that each Party reserves the right to approve the content of any advertisement or promotion prior to publication.

10) LIABILITY

- a) Barrie Transit's liability in connection with the fare integration programme described in this Agreement shall be limited to claims arising out of its operation of the Local Transit Service. Barrie Transit shall indemnify, defend and hold harmless Metrolinx from and against any and all liability for any causes of actions, losses, claims, demands, fines, costs, damages or expenses of every kind and nature whatsoever arising in connection with or as a result of (i) the operation of the Local Transit Service or (ii) any failure by Barrie Transit to observe or perform any of its covenants or obligations contained in this Agreement. Barrie Transit's total liability shall be limited to the available insurance proceeds under the policies of insurance required to be maintained pursuant to Section 11) a)(i) and 11) a)(ii).
- b) GO Transit's liability in connection with the fare integration programme described in this Agreement shall be limited to claims arising out of its operation of GO Transit Service. GO Transit shall indemnify, defend and hold harmless Barrie Transit from and against any and all liability for any causes of actions, losses, claims, demands, fines, costs, damages or expenses of every kind and nature whatsoever arising in connection with or as a result of (i) the operation of the GO Transit Service or (ii) any failure by GO Transit to observe or perform any of its covenants or obligations contained in this Agreement. GO Transit's total liability shall be limited to the available insurance proceeds under the

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policies of insurance required to be maintained pursuant to Section 11) c)(i) and 11) c)(ii).

11) INSURANCE

During the term of this Agreement, Barrie Transit shall:

- a) maintain in full force and effect:
 - (i) commercial general liability insurance with a limit not less than Five Million Dollars (\$5,000,000) per occurrence, including coverage for bodily injury and death, personal injury, property damage and loss of use thereof, non-owned automobile liability, employer's liability and contingent employer's liability. The policy shall name "Metrolinx" as an additional insured and contain a clause that states that the policy will not be cancelled without GO Transit receiving written notice by registered mail at least 30 days prior to such cancellation, and
 - (ii) automobile liability including coverage for passenger hazard on all its vehicles with a liability limit not less than Seven Million Dollars (\$7,000,000) for any on occurrence or accident or series of occurrence or accidents arising out of one cause.
- b) Prior to the execution of this agreement and within ten (10) days prior to the renewal or replacement of the insurance coverages required pursuant to Section 11) a)(i) and 11) a)(ii) Barrie Transit shall arrange for the completion and submit to GO Transit a certificate of insurance with respect to the insurance coverages required pursuant to Section 11) a)(i) and 11) a)(ii) hereof.
- c) During the term of this Agreement, GO Transit shall maintain in full force and effect:
 - (i) commercial general liability insurance with a limit not less than Five Million Dollars (\$5,000,000) per occurrence, including coverage for bodily injury and death, personal injury, property damage and loss of use thereof, non-owned automobile liability, employer's liability and contingent employer's liability. The policy shall name "The City of Barrie" as an additional insured and contain a clause that states that the policy will not be cancelled without Barrie Transit receiving written notice by registered mail at least 30 days prior to such cancellation, and
 - (ii) automobile liability including coverage for passenger hazard on all its vehicles with a liability limit not less than Seven Million Dollars (\$7,000,000) for any on occurrence or accident or series of occurrence or accidents arising out of one cause.
- d) Prior to the execution of this agreement and within ten (10) days prior to the renewal or replacement of the insurance coverages required pursuant to Section 11) c)(i) and 11) c)(ii) Metrolinx shall arrange for the completion and submit to Barrie Transit a

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certificate of insurance with respect to the insurance coverages required pursuant to Section 11) c)(i) and 11) c)(ii) hereof.

12) FORCE MAJEURE

Each Party shall use its best efforts to provide its respective transit service save and except for interruptions of such service caused by Acts of God, labour disputes or other matters reasonably beyond their control.

13) TERMINATION ON DEFAULT

Should GO Transit fail to perform any of its obligations contained in this Agreement or should Barrie Transit fail to perform any of its obligations contained in this Agreement and such default continues for a period of five (5) days after notice in writing of such default is received, the Party giving such notice may at its election, by further notice in writing to the Party in default, terminate this Agreement and such termination shall become effective sixty (60) days after the receipt of such further notice by the Party in default.

14) COSTS ARISING OUT OF TERMINATION

Upon termination of this Agreement neither Party shall be under any obligation to share in any expense or cost incurred by the other Party caused by or arising out of such termination.

15) GENERAL

- a) *Schedules:* The attached Schedules "A", "B", "C" and "D" form part of this Agreement. GO Transit may amend Schedule "A" at its discretion. Any amendment of Schedule "A" by GO Transit will not take effect until thirty (30) days after written notice of the amendment and the amended Schedule "A" is provided to Barrie Transit. Schedule "B" may be amended by written agreement of the Parties as provided in paragraph 6) f) or by operation of paragraph 8) b). Barrie Transit may amend Schedule "C" at its discretion. Any amendment of Schedule "C" by Barrie Transit will not take effect until thirty (30) days after written notice of the amendment and the amended Schedule "C" is provided to GO Transit. GO Transit may amend Schedule "D". Any amendment of Schedule "D" by GO Transit will not take effect until thirty (30) days after written notice of the amendment and the amended Schedule "D" is provided to Barrie Transit.
- b) *Successors:* This Agreement shall be binding upon and enure to the benefit of the Parties and their respective successors and permitted assigns.
- c) *Assignment:* Neither Party has the right to transfer or assign its interest in this Agreement without the prior written consent of the other Party, each in such Party's sole discretion.
- d) *Amendments:* Except as otherwise expressly provided in this Agreement, no changes, amendments or modifications of any of the terms and conditions shall be enforceable unless they are in writing and have been executed by authorized representatives of the Parties.

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- e) *Further Assurances*: The Parties shall from time to time hereafter and upon every reasonable written request to do so, make, do, execute, deliver or cause to be made, done, executed and delivered, all such further acts, agreements, assurances and things as may be required for more effectively implementing and carrying out the true intent and meaning of this Agreement.
- f) *Governing Law*: This Agreement shall be governed by and construed in accordance with the laws of Ontario and the laws of Canada applicable therein and the Parties irrevocably attorn to the jurisdiction of the courts of Ontario.
- g) *Notices*: Any written notices to be provided by a Party to another Party (a "Notice") may be sent by prepaid registered mail, personal service or e-mail. Notices related to this Agreement shall be sent to the Parties at the applicable addresses set out below:

For Metrolinx:

Becky Upfold
Senior Advisor – GO Planning
97 Front St. W.
Toronto, ON M5J 1E6
Becky.Upfold@metrolinx.com
T: 416-202-5590
C: 416-768-3435

For Barrie Transit:

Rebecca James-Reid
Executive Director
Access Barrie
P.O. Box 400, Barrie ON, L4M 4T5
Rebecca.James-Reid@barrie.ca
Tel: 705-739-4220 ext. 4462
Fax: 705-739-4244

- h) *Non-waiver of Terms and Conditions*: Any failure by either Party at any time, or from time to time, to enforce or require the strict keeping and performance of any of the terms and conditions of this Agreement shall not constitute a waiver of any such terms and conditions and shall not affect or impair in any way such terms or conditions or the right of such Party to avail itself at any time of such remedies as it may have for any breach or breaches of such terms and conditions.
- i) *Dispute Resolution*: The Parties agree to work cooperatively, expeditiously and in good faith to resolve disputes which may arise under this Agreement. Disputes that cannot be resolved by the Parties will be escalated for higher level negotiations between more senior level representatives of the Parties who will make good faith efforts to resolve the disputes promptly.
- j) *Severability*: If any term or provision of this Agreement is held to be invalid, illegal or unenforceable under present or future laws, all other terms and provisions of this

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Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such determination that any term or provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the greatest extent possible.

- k) *Partnership and Employees*: The Parties hereby disclaim the creation of a general agency, limited agency, partnership, joint venture, master/servant relationship or employer/employee relationship. The powers and obligations of the Parties are, therefore, restricted expressly to those provided for in this Agreement. The Parties agree that no representation or warranty will be made or acts undertaken by either of them which could establish or imply any apparent relationship of agency, partnership or employment and neither Party shall be bound in any manner whatsoever by any agreements, warranties, representations or actions of the other Party to such effect.
- l) *Counterparts*: This Agreement may be executed in any number of counterparts, all of which taken together will be deemed to constitute one and the same instrument. Delivery of this Agreement by prepaid registered mail, personal service, facsimile transmission or e-mail constitutes valid and effective delivery.

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