

**STRATEGIC INITIATIVE AND UPDATE****Regional Smart Fare/Smart Bus Update****Report Purpose**

To provide an update on the Regional Smart Fare project.

**Council History**

April 2013 – Council formally endorsed a joint application between the City of Edmonton, the City of St. Albert and Strathcona County to the provincial GreenTRIP program to help fund a Smart Fare system.

September 2014 – Council formally endorsed the regional transit grant submission for Smart Fare and Smart Bus technologies.

December 2015 - Council approved the Smart Fare and Smart Bus project budget as part of the 2016 Capital Funding Plan.

April 24, 2017 – Council received an update on the Regional Smart Fare project.

June 6, 2017 – Council approved a Capital Budget amendment to increase the Smart Fare budget.

**Strategic Plan Priority Areas**

**Economy:** A regional Smart Fare system will enhance our transit services to promote Strathcona County as a place for businesses and investments and provide seamless travel across transit agencies within the Capital Region. This initiative will continue to improve labour mobility and access to services in the Capital Region with affordable transit fares. It will support a sustainable transit system for our community.

**Governance:** As a collaborative and valuable partner of this regional project, Strathcona County will continue developing and maintaining strong relationships with our neighbouring municipalities through an integrated Smart Fare system.

**Social:** Enhance community connectivity and access to services by providing affordable regional transportation options to all residents in the community including seniors, youth and low-income families.

**Culture:** N/A

**Environment:** Improve efficient resource usage and reduce environmental footprint by promoting more sustainable transportation modes.

**Other Impacts**

**Policy:** N/A

**Legislative/Legal:** N/A

**Interdepartmental:** A Regional Smart Fare system will require ongoing partnership with Information Technology Services and Financial Services.

**Summary**

In September 2014 Strathcona County and the cities of Edmonton and St. Albert submitted a joint application to the province for GreenTRIP funding to help fund a regional Smart Fare system. This project was approved by the province in September 2015 and a Request for Proposals (RFP) was issued in June 2016 to

select a vendor to design, build, operate and maintain a modern electronic transit fare payment system for the Capital Region. After a vigorous procurement process the City of Edmonton signed a \$31.4M contract with Vix Technologies on June 29, 2017 to operate and maintain a modern electronic transit fare payment system for the Capital Region. The system will serve multimodal transit systems in Edmonton, Strathcona County, and the City of St. Albert. The system design allows it to be expanded to additional regional transit systems in the future.

The system will encourage more transit ridership by substantially increasing customer convenience. Some key features and benefits of the system for customers include:

- Cashless travel; eliminating the need for exact change.
- Accepting Credit and Debit cards right on transit vehicles.
- Online account management.
- Autoload feature to enable customers to ensure funds are always available in personal transit accounts.
- Wide range of retail locations will be available to obtain and reload accounts.
- Ability to ride multiple regional transit systems with a single account.

Some key features and benefits of the system for transit agencies include:

- Enabling progressive fare policies, such as fare capping and distance or zone based fares.
- Delivering more detailed ridership information to better plan services for customers.
- Reducing bus operator involvement in fare disputes.
- Reducing lost revenue from fraudulent paper fare products.
- Reducing cash handling and printing of paper passes and tickets.

Over the next year, Vix Technology will work with a dedicated team of professionals from each municipal transit agency to design the Regional Smart Fare System. Once the design is finalized and approved, Vix Technology will begin the development of various software systems. They will also be responsible for the installation of new equipment on buses, LRT stations, and terminals.

One of the next major steps to be undertaken by the regional Smart Fare Project Team is to analyze, design, and recommend changes to the fare structure and fare policy. The recommendations will focus on the regional nature of the system and be implemented in conjunction with the Smart Fare rollout in 2020.

Pilot trials of the system are planned for 2019, with full system rollout in 2020. Vix Technology also has the contract to operate and maintain the system for a 12 year period after full system implementation.

The total capital budget for the entire program is \$51.6 million, which includes the following costs:

- Contract with Vix Technology to design and implement the Smart Fare system
- The installation of Smart Bus, the enabling communications infrastructure on buses, for the Strathcona County and St. Albert bus fleets.
- Installation of Smart Bus equipment on a portion of Edmonton's bus fleet.
- Project management costs
- Integration of regional bus stops, schedules, and maps.
- Research and development of a new regional fare policy.
- Development of a fully functioning test lab.
- IT software interfaces and network security enhancements.
- Project and program management.
- Modifications at bus terminals and LRT stations to support new fare equipment.
- Building a state of the art secure website that supports smart phones, tablets, and computers.
- Establishing a regional retail network where customers can obtain and reload accounts.
- Building interfaces to institutional, educational, and employer programs.
- Establishing a regional customer service center to distribute cards and manage customer service.
- Branding, marketing, communications, and customer engagement.

In addition to supporting the electronic fare payment system, Smart Bus delivers additional benefits, such as:

- Operational control and efficiency
- Driver/Passenger safety
- Real-time bus tracking information

#### Project Funding:

• Province of Alberta	\$27.51M (GreenTRIP funding)
• City of Edmonton	\$19.46M
• City of St. Albert	\$ 2.46M
• <u>Strathcona County</u>	<u>\$ 2.18M</u>
• Total	\$51.61M

#### Enclosure

1 Regional Smart Fare presentation